

MESG
MESTRADO EM ENGENHARIA
DE SERVIÇOS E GESTÃO

**Cultural dimension differences related to international management - Kazakhstan vs.
Europe**

na
FEUP e FEP

Farkhat Kainazarov

Dissertação de Mestrado

Orientador na FEP: Prof. Raquel Meneses



Universidade do Porto

Faculdade de Engenharia

FEUP

Faculdade de Engenharia da Universidade do Porto

2013-06-18

**“Cultural dimension differences related to international
management - Kazakhstan vs. Europe”**

ABSTRACT

The base of management takes different forms depending of its cultural origin. Management or technique that is appropriate in one culture may not be suitable for other one.

Organizations and institutions located in certain place are representing specifically those place dominant cultures. From this point of view the western culture which justifies western model of management is also falling apart. It has become clear that ruling systems in countries, those like, UK, Germany, and Sweden is not the same and common generalizations have no profound proof. In the same way “Middle-eastern” or “Asian” type of management generalization also isn’t justified. For international manager main aspect that has to be revised are values deeply concreted in the societies.

Culture expresses meanings that people use to attach to various aspects of life, their attitude to things in life and role. How do they consider one thing as “good” or “evil”. How do they assess attribute of “beauty” and “ugly”.

Management in society is very much constrained by cultural context, because it is impossible to coordinate the actions of people without profoundly understanding people’s value, believes, and expressions. Culture notion resides in people’s mind and appears tangible in organizations.

Taking into account that interaction behavior between employee and employer, subordinate and superior, which had been transferred from interaction which started before, in family, children connection with parent etc. Researchers like Geert Hofstede call it as “collective programming”. It doesn’t necessarily mean that everybody in certain society thinks same but in general view it is considered for certain society characteristic certain values and attitudes. Therefore, while transferring management skills to foreign country it is necessary to consider these type of aspects which also serve as a clue how people predetermined perceive and analyze information.

This paper describes about cultural differences between EU countries and Central Asia, particularly, Kazakhstan.

Fisrt chapter is about Introduction. The second chapter introduces theoretical pattern followed in research work and studies and theories developed. Special empahsis made on cultural dimensions theory proposed by Geert Hofstede. The third part devoted for methodology and emperical research methods applied. The forth part presents findings after emperical research made and fifth part is conclusion.

We could anticipate in generic level how communication would occure between Kazakh and Europe representtives. Due to cultural dimension differences methods it became possible to broaden possibility to understand specific features of aforementioned cultures, which has wide impact on International relations and management.

ACKNOWLEDGEMENTS

Writing a master thesis was at same time interesting but also challenging work. I learned new things, which I hope will exhibit its advantages in the future.

I would like to thank my supervisor Prof. Raquel Meneses, who gave me guidance and support in my endeavors to prepare this work.

I would also like to thank all the professors with whom I came across during my master studies, and who inspired me and taught me great things about management as well as life in general.

I would like to say word of gratefulness to my flat mates; Jedson, Mélissa, Carina and Fabio, who were keeping good mood of relationship and support me during this work.

Also I would kindly like to thank all my interviewees, who agreed to tell their stories and participate in my research.

Last but not least, I wish to say to my family and friends “thank you for being there”.

Table of Contents

Abstract.....	1
Acknowledgement	Error! Bookmark not defined.
Table of Contents	3
Table of Figures.....	4
1 Introduction.....	5
2 Literature Review.....	8
2.1 Human to human relationship	8
2.1.1 The Power distance concept.....	8
2.1.2 Social inequality.....	9
Inequality in organizations	10
2.1.3 Value orientation.....	10
2.1.4 Individualism vs. Collectivism	11
Individualism vs. Collectivism in the Family	12
Implications of country Individualism differences.....	Error! Bookmark not defined.
Individualism and Collectivism in the Work situation.....	14
Applicability of Management Methods in Collective society.....	14
2.2 Human's attributes.....	16
2.2.1 Masculinity and Femininity	17
2.2.2 Nature of human	18
2.2.3 Motivations leading human behavior.....	19
2.3 Human vs. Environment.....	21
2.3.1 Uncertainty Avoidance	22
2.4 Human vs. Time concepts	23
2.4.1 Time as communication	24
2.4.2 Time value orientation	24
2.4.3 Monochronic and Polychronic orientation.....	25
2.5 Human to Space relationship	26
2.5.1 The effects of territory and personal space on human communication	26
2.6 Human Communication.....	27
2.6.1 Low vs High Context.....	28
3 Methodology	29
4 Findings.....	32
5 Conclusion.....	43
Reference	44
Appendix 1.....	48
Appendix 2.....	49

Table of Figures

Figure 1. Three levels of human mental programming.....	5
Figure 2. Hofstede's cultural dimensions scores for Germany, Netherlands and UK.....	32
Figure 3. Pie-chart showing the proportion of interviewees mentioning Masculinity	33
Figure 4. Pie-chart showing the proportion of interviewees mentioning UAI	33
Figure 5. Pie-chart showing the proportion of interviewees mentioning Power Distance Index .	34
Figure 6. Pie-chart showing the proportion of interviewees mentioning Individualism Index	34
Figure 7. Pie-chart showing the proportion of interviewees mentioning flexibility in time frame	35
Figure 8. Pie-chart showing the proportion of interviewees mentioning Polychronic orientation.	36
Figure 9. Pie-chart showing the proportion of interviewees mentioning Openness to change.....	36
Figure 10. Pie-chart showing the proportion of interviewees mentioning Self - enhancement....	37
Figure 11. Pie-chart showing the proportion of interviewees mentioning human nature.....	37
Figure 12. Pie-chart showing the proportion of interviewees mentioning Hierarchy system predominance	39
Figure 13. Pie-chart showing the proportion of interviewees mentioning time flexibility.....	40
Figure 14. Pie-chart showing the proportion of interviewees mentioning social relations	41
Table 1. Key differences between collective and individualist	15
Table 2. Summary of Value Connotations of MAS differences	17
Table 3. Human Nature Orientations	18
Table 4. Motivation source for behavior.....	19
Table 5. Human and Natural environment relation	21
Table 6. Uncertainty avoidance Indicators	23
Table 7. Time orientation by Strodbeck and Kluckhohn.....	24
Table 8. Comparison between Monochronic and Polychronic culture.....	25

1 Introduction

According to Hofstede (2000) description of Culture is thoroughly described with manifestation of visible terms like *Values, symbols, heroes, and rituals*.

Symbols are characterized by gestures, pictures and objects and carries complex meaning for those who share culture. Symbols are easily copied with other cultural group, they have superficial, outer position in exhibit below.

Heroes serve high example for nation, no matter they are alive, imaginary, or real they have attributes which are highly evaluated by people.

Rituals are necessary to keep relations between individuals as it is accepted in boundary of culture. Those actions describing rituals are not obligatory to perform. Rituals carried for their own sake have no relation to achieve desired end. Business and political affairs have those series of action to make conversation go in order as it is accepted in culture.

All these terms which describe culture can be subgroup of term practices. As such they are visible for outside observer.

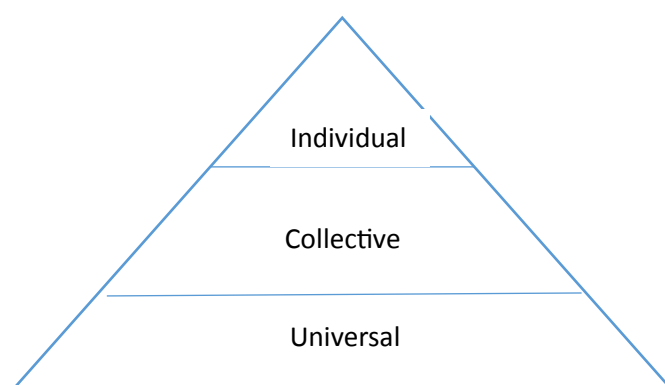
CULTURE -----> defines VALUE-----> HELPS TO organize people (management)

According to Guildford (1959 in Hofstede, 2000) Culture could be determined as the interactive aggregate of common characteristics that impact a human group's response to its environment. Culture defines a human's group in way personality identifies uniqueness of individual.

The word culture can be applied to any human collectivity or category: an organization, entire gender, an age, profession group. Societies deserve high position in researching culture for reason that societies characterized by high level of self-sufficiency in relation with its environment. The degree of national cultural homogeneity varies from one society to another. Even if a society contains different cultural groups (Hispanics, Blacks, Asians, and Caucasians in US or in Kazakhstan), they usually share certain attributes one with other that make them noticeable to other nations as people from certain culture.

According to Hofstede (2000) each individual has "software of the mind" which is responsible for his behavior and actions. By observing behavior it is possible to infer from it stable mental software presence. Social scientists deal with pattern where they are parts of those patterns. And usually it appears that view of a researcher is subjective. Nevertheless as solution for this situation appear joining views of scientists who have different angle of view for same situation and it would permit to find out more than we, ourselves could do alone.

Figure 1- Three levels of human mental programming



Source: Hofstede, 2000, pp.3

Main tool to observe society systems is models. It simplifies to see something complex to grasp. According to Hofstede (2000) there are three levels of mental programs which have broad distinction of each other.

Universal level of mental program shared with all humankind. Characteristics like laughing, weeping, aggressive behaviors exist in every person and this level is least unique but most basic. Collective mental programming shared among certain group or category of people and has difference than mental programming of other category of people. It grasps points like language in which we speak, how we treat young and old people, physical distance we keep in order to feel comfortable, the ways people accept general human actions.

Last and specific level of mental programming is individual level. Every person has a unique way of behavior. According to Hofstede (2000), there are no two person who has the same mental programming.

Mental programs can be inherited or learned after a birth. In the exhibited model (Fig.1), Universal level of programming is high probability of inheritance. These are parts of genetic information which is common for all human species.

Individual mental programming a small part of information which is inherited and that is why it can be observed same as a difference between more common humans.

In middle level, collective mental programming, is observed the tendency of gaining information by way of learning. As example it can serve American nation, where collected different kind of genetics with same way of acting. It explains that people are capable to share information with surrounding humans who are passing same process.

Companies engaged in international business are completely influenced by national, social, economic, political, legal, and ethical features of different countries.

Thus, the study of real situations of intercultural contact shows that people have different perceptions of non-native culture and its representatives. Range of perception varies from complete denial of the existence of other cultures to integration of a new culture and values.

These dissertation research paper guides to disclose main differences between cultures which will facilitate intercultural connection experience. In preparing this work, I focused on identification of cross-cultural differences, which is a special knowledge which gives advantage position during business negotiations and different culture relationship.

After declaring its independence Kazakhstan moved to capitalistic system of government and started to make businesses with many other countries. To the best of our knowledge there are not any studies about Kazakhstan culture. The country is considered to be in developing stage, therefore needs international investment to grow up fast and has good investment climate and prerequisites in terms of resources and conditions. (Source)

In order to be successful while investing investor need to know important information about country, and cultural differences concerning to business relation and management are one of the main.

In this work I try to describe the general notion of cultural peculiarity of Kazakhstan society and draw differences between cultural characteristics of Europe and Kazakhstan, which brings considerable benefit in acquiring this sort of knowledge.

My MA degree concerns Management branch align with engineering in services, which includes courses as organizational behavior, enterprise management, and human resource management.

All these subjects include the principles of human resource coordination, which is one of the

main factors in successful organization development. Especially creating right contact with stuff leads to understand better the instruction and less consumption of resources.

Consideration of management skill transfer to foreign country seeks for knowledge of behavior of working people in organization, which is one of key factors of successful company.

In the course of this work were studied common characteristic aspects for all nations as *individualism* and *collectivism*, *masculinity* and *femininity*, *uncertainty avoidance*, *power distance* and other common and important aspects that peculiar to various extent for every culture. These cultural characteristics affect the behavior of the individual in the field of work, family and other social circles. The knowledge of these characteristics consequence for best opportunities to release for person who wants to get inside of special group.

Methodology applied is exploratory research with abductive and qualitative approach. This method come in handy while it is necessary for researcher to investigate phenomena and develop hypothesis (assumption) or formulate the problem which was previously difficult to discern and at same time it permits to find new (emergent) concepts.

After this Introduction the second chapter introduces theoretical pattern followed in research work and studies and theories developed. Special empahsis made on cultural dimensions theory proposed by Geert Hofstede. The third part devoted for methodology and emperical research methods applied. The forth part presents findings after emperical research made and fifth part is conclusion.

Because driving business influence a human to human relationship we will attribute more intensive research to this section.

Reference to resources in studying the cultural differences between mentioned countries originate from literature review, where identified each category of cultural dimensions differences by world renown researchers and sociologists like Hofstede. G, Schwartz H.C., Hall E.T., Strodbeck. F, and Kluckhohn. C. and many others.

Collection of data based on qualitative approach as long as there had been interview sessions with selected samples who are expatriates from EU country, predominantly from North part of EU (Netherlands, Great Britain and Germany).

2 Literature Review

Literature review devoted for concrete description of cultural dimension which is in various degree characteristic for all nations. Author collected information from renowned researchers, trying to make a consistent topology. According to this goal we decided to construct main categories according to the type of relation that are established:

1. Human to human relationship
2. Human's attribute.
3. Human vs. Environment
4. Human vs. Time concept
5. Human to space relationship
6. Human communication

2.1 Human to human relationship

Human to human relationship concept describe set of interactions between individuals regarding their social position and view (economic, political etc.). Human relationships are based primarily on the links between members of the society due to the different types of communication: first of all the visual (non-verbal or links that include both the appearance and body movements, gestures), linguistic (spoken word) and languages built as a result of the development of complex societies.

2.1.1 The Power distance concept

According to the Hofstede's (1983) concept, the distance in inequality between boss and subordinate measured by power distance index (PDI). Power distance is a measure of the interpersonal power or impact between boss and subordinate as accepted by the less powerful of two, subordinate. The term *power distance* was derived from Dutch social psychologist Mauk Mulder, who based his power distance theory on laboratory and field experiments with simple social structures. Mulder (1977, in Hofstede, 2000) defined power as potential for leading and directing the behavior of less powerful one by more powerful, both of them at same time belong to same, loose or tight knit society. He distribute most important 20 hypothesis regarding power distance aspect, which following are important.

- [1] The mere apply of power will bring satisfaction effect.
- [2] The more powerful individual will attempt to gain more power distance and maintain that level regarding less powerful person.
- [3] The greater this distance from less powerful person, the stronger attempt to enlarge this difference.
- [4] Individual will attempt to reduce the power distance between themselves and more powerful persons.
- [5] The smaller this distance from the more powerful person, the stronger the striving to reduce it.

How power distance is accepted by superior and subordinate and supported by their social environment is to a considerable extent determined by their national culture.

2.1.2 Social inequality

According to Hofstede (2000) inequality may appear in a vast type of areas like physical and mental characteristics, social status and authority, wealth, power and laws, rights, and rules.

Social inequality is multidimensional. This factor can be observed while politician, sportsman or artist strive to get professional and exploits power in order to get access to wealth and at same time power. Politicians can use their fame and authority to get wealth. In general, in every society there exist two opposing forces. One force tries to eliminate status inconsistency between various areas. Sportsmen attempt to be professional to achieve wealth and politician applies its authority and power to get the same.

In traditional societies the prestige, wealth and power are given to strong and smart. The opposite force tries to make balance between ranks in parties (Hofstede, 2000).

The battle between two forces – status consistency versus overall equality – is one of the basic issues in any human society.

In declaration of the choice between equality versus status consistency it is important to distinct ideological and pragmatic level, the level of the desired contrast to desirable.

In practice no society has ever obtained equality in the form of complete consistency among different areas of rank. All societies are unequal but some are more unequal than others (Hofstede, 2000).

In some societies there exist notion like crisscross structure. It signifies middle class which is supposed to solve inequality issues between high class and low class. In short, they have stabilizing role in society.

Societies with crisscross structure called “*pluralist*”; societies without crisscross but with status consistency, *elitist*. Pluralist societies are less unequal than *elitist* societies but still remain large inequalities.

There are not much difference except few such as social mobility between pluralist and elitist groups. In pluralist group new members can easily get admission for high rank class than it happen in elites because middle class serves as steeping stones for high class.

Bohannan (1969, pp.198) says there are distinction among societies rank such as *castes*, *estate*, *class*. *Caste* was established in pre-independent India and organized association of extended families. And being member of that group (family, in-group) define one’s rank in all area of life. Even nowadays when legally caste system is annulled it still has impact in daily life of modern India.

Estates used to exist in feudal Europe (nobility, yeomanry etc.). There were people who had specific rights and obligations but this system didn’t unite them as an organization with same level of status.

Classes are categories of people who share same characteristics of rank: wealth, power, prestige and identified by their economic activity, educational background and not necessarily legally organized to specific group.

In realist definition, there is a collective notion of members that they belong to certain classes.

Dominant values systems among elites are complemented by subordinate value systems, located into dominant system, proposed by non-elites. Both together support the status quo.

Castes, estates, and classes represent more or less integrated systems; the existence of one class presupposes other classes. However, societies may also contain not integrated groups.

Inequality in organizations

Inequality in organization exists as it is within society. An unequal distribution of power is the essence of leading improving organization. Even organizations designed to be egalitarian, such as political parties, develop their power elites as it is described in Michel's iron law of oligarchy (Michel's 1915/1962 in Hofstede, 2000)¹

The basic element on which hierarchy pyramids are built is relationship between subordinate and superior.

According to Luhmann (1975 in Hofstede, 2000) power in organizations is mainly exercised through influence on workers' careers, but this opinion may be valid for societies, where career goal is high priority (as in Germany).

It is correct to compare relationships appearing in work environment with prior relationships taking place earlier in life, family, and school environment. All behaviors happening in these environments resembles with behaviors taking place in work context. Both, subordinate and superior are expected carrying values from their early life experience. As family and school environments differ among cultures, it is accepted to differ power exercises in hierarchies.

In the same way that patterns of inequality between groups in society are supported by both dominant and subordinate value systems, framework power inequality within organization reflect the values of both parties. Power and execution of that power is realized because it is admitted by subordinates. Authority exists where it matches with obedience (Hofstede, 1984).

The power distance norm can be exposed as an attribute to display cultural structure of society. According to Hofstede each culture justifies its authority applying its major values (Hofstede, 2000). Pluralism and monolithic are main two points of leading society, where in monolithic point few people have right to give direction and in pluralistic point there are several groups which are interdependent and members have possibility change to other groups and it provides not total controlling condition. Information sources are independent of a single organization.

According to Hofstede (2000) management by objectives is assumed one guiding book which includes analyses of aspects of culture and give wide review how should be done negotiation between superior and subordinate. Important aspects are that subordinate and superior are need to make joint goal setting and assessing it after period of work together. Whole meaning is to create relative interdependence. All these are strongly connected with power distance.

In large distance societies there is observed lack of joint coordination. Often subordinate expects direct messages from superior how to prepare work and assessment of work done, also superiors usually don't take account agreed objectives of subordinates. The conclusion for good result is deep care need to be given in exporting some management leadership packages.

As good norm is considered to consult with subordinate which is less encountered in collective culture.

2.1.3 Value orientation

¹ The iron law of oligarchy is a political theory, first developed by the German syndicalist, sociologist Robert Michels in his 1911 book, *Political Parties*.

According to Kluckhohn value is: “A conception, explicit or implicit, distinctive of an individual or characteristic of a group, of the desirable which influences the selection from available modes, means and ends of action.” (1951, p 395)

Strodtbeck and Kluckhohn suggested according to chosen value orientation toward existing for all humanity question it would be disclosed tendency for which value nation is close.

On the aspect how should individuals relate with others – hierarchically (which they called "Lineal"), as equals ("Collateral"), or according to their individual merit presented following proposal (see Table 1).

Question	Value Orientation	Description
Relating to other people	Hierarchical (“Lineal”)	Emphasis on hierarchical principles and deferring to higher authority or authorities within the group
	As equals (“Collateral”)	Emphasis on consensus within the extended group of equals
	Individualistic	Emphasis on the individual or individual families within the group who make decisions independently from others

Table 1. Human to human relation table

Source: Hills, (2002), pp.5

In society where prevail value orientation with Lineal point of view exists notion of obedience for higher standing person in positions as social class etc. As an example serves US, where society considered to be nominalist, where presence of “deference” notion in the mind of individual from lower class stands firmly.

Collateral point of view prevails in society, where majority feel more or less same level of position and status in certain areas. Therefore, important things are discussed and considered together, instead of designating the issue for individual group or one person.

In society with Individualistic point of view great significance accented on individuals and individual groups who have their own option to make decisions out of considering with anyone else.

The mentioned dimension in this paragraph is similar with PDI dimension referred in Hofstede (2000). Almost listing same criteria to describe dimension of power distance between individuals with difference in resource from Hofstede the PDI dimension related with collectivism vs. Individualism dimension.

2.1.4 Individualism vs. Collectivism

According to Hofstede (2000) *individualism* oppose meaning to *collectivism*. Individualism is characteristic called for tendency of people to look after themselves and their immediate family only. Individualist society associates in high degree with self-interest, personal growth, self-reliance, self-thought, competition and fulfillment of own goals.

Collectivism concepts binds tightly with group identification where emphasize made to representation of group values. The interests of group, which is majority, positioned above all other interests. Collectivism associates with cooperation, social concern, group harmony, compromise, indirectness, parental guidance etc.

Some people live in nuclear families (husband, wife, and children); others live in (patrilineal or matrilineal) extended families, or clans, with grandparents, uncles, aunts, and cousins; other live in tribal units depending on kinship ties.

In “curvilinear hypothesis” suggested by Blumberg and Winch (1972) very traditional hunting-gathering tribes tend to live in nuclear families. In more agricultural societies, people aggregate into extended families, clans, or tribal units. As agricultural societies develop toward still more complex urban-industrial societies, family complexity decreases again and extended families disintegrate into nuclear families; single relatives stays apart from relatives, who have their own family and grandparents sent to house for aged (Hofstede, 2000).

Life in individualism or collectivism society not only concerns matter of living together, it also reacts with societal norms (in the course of value patterns of major group of nation). This affects structure and functioning not only of family but also institutions as educational, religious, political, and utilitarian.

It regards as well notion of self-concept. Tradition-directed person hardly thinks of himself as an individual (Riesman *et al.*, 1953). Hsu (1971) has argued that Chinese tradition doesn’t have same notion of personality as it is accepted in the West: a separate entity distinct from society and culture. Markus and Kitayama (1991) describes the person’s cognition, emotion, and motivation all differ depending on whether our culture has provided us with an independent or an interdependent “self-construal.”

Differences in collectivism and individualism systems shared by majority carry strong moral contradictions.

American people prescribe their success and greatness of United States for belonging to individualism culture (Hofstede, 1983). American society considers itself as “inner-directed” society. Trompenaars (2010). It implies that it hasn’t specific traditional rules to follow rather than transitional knowledge which was earned by experience. In classic study reported in a volume titled.

In China, there is very different view related to individualism. Former leader of China Mao Zedong thought that individualism was evil (Hofstede, 2000). In his opinion individualism denoted selfishness. Mao condemned individualism in putting self-interest over those of the group or simply to dedicate too much attention to one’s own things (Ho, 1978, pp.395-396).

Mao’s anti-individualist, pro-collective ethos is deeply rooted in the Chinese tradition. Collectivism doesn’t contradict about well-being of individual or interest; it is assume that maintaining the group’s well-being is the best guarantee for the individual (Ho, 1979, p.144).

According to Parson’s and Shill’s (1951, p.77) self-orientation versus collectivity orientation calls for association with the individualism/collectivism dimension. Parsons and Shills (1951) wrote:

“The high frequency situations in which there is a disharmony of interests creates the problem of choosing between action for private goals or on behalf of collective goals. This dilemma may be resolved by the actor either by giving primacy to interests, goals and values shared with other members of a given collective unit of which he is a member, or by giving primacy to his personal or private interests without considering their bearing on collective interest.” (pp. 80-81)

Individualism vs. Collectivism in the Family

In collective societies there is a strong dependence on older people in family. Children after getting older supposed to look after their parents while they get old and helpless. In traditional Japan for example exist notion as stem family. The stem family consisted all those who commonly resided together and shared social and economic life, both relatives and nonrelatives (Befu, 1971). Usually only one of the sons of the stem head stayed with the group after marriage

and maintained the family line. The stem family doesn't make sharp distinction between kin and not kin. Collective societies usually have ways of creating family like ties with persons who are not biological relatives but who are socially integrated into one's group.

People in collective societies are integrated not only horizontally but also vertically. They stay in close contact with their parents, grandparents, and other elders as long as they are alive and usually it is expected that their children also keep in touch with them.

People in individualist societies lack not only horizontal but also vertical integration. Adolescent children leave the homes of their parents and don't necessarily maintain much contact after that. Grandparents live apart and assumed to live of their own. Usually when they become unable to look after themselves they are taken care of by homes for aged people, not by children.

The in-group is the major source of one's identity, and the only secure protection one has opposite to burden of life. Therefore one owes lifelong loyalty to one in-group, and breaking this loyalty is one the worst things a person can do.

In individualist societies the individual prevail over the interests of the group. Whereas in the collective society the family is the smallest group unit, in the individualist society the individual is the smallest unit. Most children in such societies are born into nuclear families, consisting only parents and other siblings.

Children in this situation, as they grow up, learn to think of themselves as "I." Playmates are chosen on the basis of personal preference. The purpose of education in such society is to make the child to become able to stand on his own feet. The child is expected to leave parental home as soon as possible. Neither practically nor psychologically is the healthy person in this type of society supposed to be dependent on a group.

In most collective societies, direct confrontation of another person is considered rude and undesirable. The word *no* is seldom used because saying *no* is a sort of opposing. Usually people don't direct confrontation therefore phrases like "I will think about it", "you may be right in this regard" etc. commonly applied for turning down a request. In the same concern word *yes* shouldn't be accepted certain approval (Hofstede, 1984).

On the other hand, speaking one's mind is a virtue. Telling the truth about how one feels is seen as an attribute of honest person. An opposition of opinions is believed to lead to a higher degree of truth. Coping with conflict is a normal part of living together as a family.

In the collective family, personal opinion doesn't exist. It is predetermined by the group. If a new issue arise and there are no answers yet, then new collaborative meeting should be hold in order to give decision about the issue. A child who always says something confronting or deviating from majority's opinion is considered to have a bad character. In individualist family, in opposite, children are encouraged to convey their own opinion concerning issues. And child who only reflects the opinion of others is accepted to have a *weak* character.

The loyalty to the group that is an essential element of the collective family also means that resources are shared. If a member of an extended family of 20 persons has a paid job and the others have not, the earning member is supposed to share his or her income in order to help feed the entire family. This sort of justified actions let the whole family gather together sufficient amount of fund to let study one among them and become reliable source of living. In individualist families parents are proud if their children start to earn themselves as soon as possible even if it is small amount of funds. This way they believe their children learn how to earn money themselves. Students who don't have wealthy parents need to earn own education money (Hofstede, 2000).

All this way of being in family will have a fundamental impact in the way that people be in society and in businesses.

Individualism and Collectivism in the Work situation

In individualist society it is not encouraged to have relational bonds between employees whereas in collective society it is usually practiced to hire one from in-group. Thus this makes one to be concentrated on the family business and reputation. In the individualism culture family relationship in work environment is undesirable, as they may lead to nepotism and a conflict of interest. Employee in individualist society expected to act rationally in interest of himself but considering also coincidence with employer's interest as well. In Collective society the employee act according to interest of in-group, which may not always coincides with his or her individual interest. In collective society, the workplace itself may become an in-group in the emotional sense of the word. The relationship between employer and employee is seen in moral terms. It resembles family relationship, with mutual obligations of protection in exchange for loyalty. Poor performance of an employee in this relationship is no reason for dismissal.

In individualist society, the relationship between employer and employee is primarily conceived as a business transaction, a calculative relationship. In collective society, one's friends and one's employer are predetermined by the social context. In an individualist society, both are matter of personal choice and individual preference (Hofstede, 1983).

Table.4 collected comparative differences between low and high individual dimension of cultures including differences along fields like Work situation, Management method and Health.

Studies made by Williams *et al.* (1966) about workers of Peru and U.S. research group identified relation between power distance index value and interpersonal trust. The difference in individualism index between colleagues from U.S. and Peru was large, 91 versus 16 respectively. So collectivism is in this case associated with a low trust. In collective societies the contrast between the two is particularly strong. Interpersonal trust didn't develop in this case because Peruvian work groups that Williams *et al.* (1966) studied remained out-groups to U.S. groups. In collective society one trust only to one who belong to same in-group. The belonging to out or in-group has a profound result on further relationships for collective society reaching till the business relationship. In individualist societies the norm is Universalist, treating everybody alike. Preferential treatment of one customer over others is considered bad business practice and unethical. In collective culture the norm is particularism. As the distinction between "our groups" is at the beginning of people's consciousness, treating one's friends better than others is natural and ethical (Hofstede, 2000).

For collective minded society only natural people make sense for trust rather company or other impersonal entities. So in the collective societies the personal relationship prevails over the task and over the company and should be established first.

In individualist society, inverse, the task and company are supposed to prevail over any personal relationships.

Applicability of Management Methods in Collective society

Usually it is perceived that mostly managers tend to share the cultures of their society and of their organization with subordinates and act according the values they learned as children. (Hofstede, 1984)

Management in individualist societies is management of individuals. Subordinates can be moved around individually; bonuses are given as a merit or stimulation of employee for performance increase. Management in collective society is management of groups. Ethnic and other in-group characteristics play role in uniting procedure. Usually managers with collective perception pay considerable attention to such sort of points.

Table 1. Key differences between collective and individualist societies in Work situation, Management methods, and Health

Low IDV	High IDV
<i>In the Work Situation</i>	
<p>Employees act in the interest of their in-group, not necessarily of themselves. Hiring and promotion decisions take employees' in-group into account. Relatives of employer and employees preferred in hiring. Employer-employee relationship is basically moral, like a family link. Poor performance reason for other tasks. Employee commitment to organization low. Potential emotional commitment to union. Employees perform best in in-groups Training most effective when focused at group level.</p> <p>Organizational success attributed to sharing information, openly committing oneself, and political alliances. Belief in collective decisions. Innovation champions in organizations want to involve others. Fewer invention patents granted. Entrepreneurs claim contribution of others to their results. Employees and managers report teamwork, personal contacts, and discrimination at work.</p> <p>Less control over job and working conditions; fewer hours worked Less social mobility across occupations.</p>	<p>Employees supposed to act as "economic men"</p> <p>Hiring and promotion decisions should be based on skills and rules only. Family relationships seen as a disadvantage in hiring.</p> <p>Employer-employee relationship is a business deal in a "labor market." Poor performance reason for dismissal. Employee commitment to organization high. Relationship with union calculative. Employees perform best as individuals. Training most effective when focused at individual level.</p> <p>Organizational success attributed to withholding information, not openly committing, and avoiding alliances. Belief in individual decisions. Innovation champions in organizations want to venture out on their own. More invention patents granted. Entrepreneurs claim own results without depending on others. Employees and managers report working individually.</p> <p>More control over job and working conditions, longer hours worked. Greater social mobility across occupations.</p>
<i>In the applicability of management methods</i>	
<p>Management is management of groups Theories based on individual psychology of limited use</p>	<p>Management is management of individuals. Some theories based on individual psychology useful.</p>

Employee has to be seen in family and social context.	Employee can be seen as individual.
Keeping ethnic or other in-groups together supports productivity.	Composition of work groups based on individual criteria; in-groups unwanted.
Incentives to be given to in-groups.	Incentives to be given to individuals.
Leadership is inseparable from the context	Leadership is a property of the leader (various U.S. theories).
Direct appraisal of performance is a threat to harmony.	Direct appraisals of performance improve productivity.
Openly sharing with a person one's feelings about his or her spoils cooperation.	Openly sharing with a person one's feeling about him or her may be productive

Source: Hofstede, 2000, pp.245

It is very important to sustain harmony among the group where one belongs in collective culture. (Hofstede, 1984). Usually openness and directness are avoided and the truth is strained in order to maintain harmony. To express disagreements used indirect ways of implying. Often problems which has disagreement between parties solved by third person who involved as mediator. While in individualist society openness and directness are accepted as high quality of person and effecting the business negotiation in positive direction (Hofstede, 1984).

For individualistic society person who wish to work in collective society it is highly recommended to learn the ways of indirect communications as it is not a virtue to be open and direct in collective societies.

For individual minded society business relations have no biases in preference either to friendship or feeling hostility for parties with whom business relations are made. In business all people are equal. From individualist point of view business behavior should be Universalist.

Opposite, in Collective culture people tend to think from term of “we” (our in-group, family, clan etc.). Often relatives, tribesman, friends get better of business deals. It is considered normal. Regarding this sort of attitudes, collective culture maintainers characterized as society preferring relationship over task and individualist mind societies preferring task over relationship.

Relating this situations, if a person from individualist culture would like to work in collective society first step for successful negotiations is to create relations with people around, which would lead effective business and toleration of some arising mistakes and it should be considered as a proper investment rather time waste for person from individualist culture.

In collective cultures it is approved to give presents and serve services for one each other business partners, and this is shouldn't be accepted as corruption, etc. And this is one of the main parts of investment for good relationship.

2.2 Human's attributes

In this part of dissertation is described human nature attributes, which are considered to be common for all societies. Human nature is very important aspect which has impact on human to human relationships. The studies show that each nation or society has different degree of human nature characteristics.

2.2.1 Masculinity and Femininity

Masculinity-femininity characterizes the distribution of roles in society between men and women, and problem solving techniques (Hofstede, 1984). In national culture strong masculinity is associated with persistence, rivalry, independence, self-affirmation, success. Strong femininity shows compassion, emotional judgments, care, assistance, warm attitude of solidarity. Studies made by Hofstede (1984, 2000) had shown that in different countries, women have less value different than the value of men who have a wider range of overconfidence in hand.

According to Hofstede (2000) surveys on masculinity and femininity within member countries it is defined that men usually follow ego goals, attributed with money, power and career. Women, all over the world, follow social goals like helping and taking care of other and physical environment.

According to analysis made by IBM research center (Hofstede, 1983) it was defined huge difference in work goal scores between social to ego goals. In higher-MAS countries, values between man and woman in same job had large distinction than in lower-MAS countries.

IBM conducted survey where main goal was to reveal main goal differences between men and women workers assigned same task and position. After survey were identified following significant gender difference trends.

According to research center more important for a men are advancement, earnings, training, and being always in time in everything. For women are important friendly atmosphere, position security, physical conditions, manager, and cooperation.

The list of countries in order of MAS shows Japan at the rating's top. Countries speaking in German: Austria, Switzerland, Germany scored second, then some Latin countries, like Mexico, Venezuela, Colombia and Italy. After goes Anglo countries as Ireland, Great Britain, South Africa, U.S., Australia, New Zealand, and Canada. Above the listed countries score high than average. Asian countries, other than Japan, were in the middle. The most feminine countries are Nordic countries as Denmark, Sweden, Finland, Netherlands and Norway. After go countries as Spain, France, Portugal, El Salvador, Uruguay, Guatemala, Chile, Costa Rica and former Yugoslavia.(Hofstede, 2000)

According to survey data analysis (Hofstede, 1994b, chap.3) where compared two work facets like *challenge* and *earning*. It was revealed that societies with lower MAS tried to maximize a *life* satisfaction that was felt as socially desirable but didn't overlap with job satisfaction. In higher –MAS societies' job took more central position in the life than it did in lower-MAS societies. This shows that the more masculine a culture, the higher the relative weight of job rather than nonworking in determining entire life satisfaction.

Table 2. Summary of Value Connotations of MAS differences

Low MAS	High MAS
Cooperation at work and relationship with boss important.	Challenge and recognition in jobs important.
Living area and employment security important.	Advancement and earnings important
Values of women and men hardly different.	Values of women and men very different.
Lower job stress.	Higher job stress.
Belief in group decisions.	Belief in individual decisions.
Preference for smaller companies.	Preference for large corporations.
Private life protected from employer.	Employer may invade employees' private lives.

Promotion by merit. Work not central in a person's life space Relational self; empathy with others regardless of their group. Among elites and consumers, stress on cooperation. Schwartz's values surveys among teachers and students: low mastery.	Promotion by protection. Work very central in a person's life space. Self is ego: not my brother's keeper, Among elites and consumers, stress on advancement. Schwartz's surveys: high mastery: ambitious, daring, independent.
--	---

Source: Hofstede, 2000, pp.298

In masculine culture manager is seen as hero, crushing his adversaries, taking quick decisions and admired by his subordinates. Even manager is not so super in reality he tries to imitate that ideal prototype of manager. In opposite, in feminine culture it is considered boastful, ridiculous and not accepted serious. The feminine culture management behavior may accept to modest in masculine environment to be effective.

There exist some countries where certain work types strictly permitted to be done by men. Example is Japan, where are few women politicians, professors, managers. On masculinity scale Japan score 50 out of 50. (Hofstede, 1984)

In other masculine countries women admitted to hold male work positions. Such women inclined to have masculine values and behavior. Only in more feminine countries it is admitted men for traditionally women work such as nursery and nursing management.

In transfer of management it necessary to profoundly examine the idea of sex roles in management receiving society in order to be functional in that country (Hofstede, 1984).

2.2.2 Nature of human

In referring value orientation regarding Nature of human nature, Strodtbeck and Kluckhohn (1961) made accent that there exist three types of human nature involved – good, bad or mixed (good and bad) and mutability, we stay as we are born or be able to change.

Possible orientations regarding this value referred in Table 5.

Table 3. Human Nature Orientations

Question	Orientation	Description
Nature of Human Nature	evil/mutable	Born evil, but can learn to be good. However danger of regression always presents.
	evil/immutable	Born evil and incapable of being changed. Therefore requires salvation by an external force.
	mixture/mutable	Has both good and bad traits, but can learn to be either better or worse.
	mixture/immutable	Has both good and bad traits, and their profile cannot be changed
	neutral/mutable	Born neither good nor bad, but can learn both good and bad traits
	neutral/immutable	Born neither good nor bad, and this profile cannot be changed

	good/mutable	Basically good, but subject to corruption
	good/immutable	Basically good, and will always remain so.

Source: Hills. (2002), pp.6

Different national cultures have different ideas about the nature of man as the bearer of good and evil. In some countries, a person is considered a source of vice and consequently used a strict system of rules, strict control of human behavior and sanctions for violation of social norms. Example is the modern Singapore (Schwartz, 2000), where security and public order are supported by severe penalties. In countries holding believe that people are inherently virtuous, relationship is based on trust, respect and understanding. In a society where the prevailing view is that in people settled virtuous, conducted measures aimed at changing people and their behaviors for the better. An example of this approach is that most of the developed countries of Europe and America (Schwartz, 2000).

2.2.3 Motivations leading human behavior

Kluckhohn (1961) argued that all people have similar roots and characteristics therefore similar traits which stand as a base for development of cultural phenomena and that people typically feel their own culture normal and natural but those of other are strange and abnormal.

Kluckhohn and Strodtbeck started with three basic assumptions:

- 1."There is a limited number of common human problems for which all peoples must at all times find some solution".
- 2."While there is variability in solutions of all the problems, it is neither limitless nor random but is definitely variable within a range of possible solutions".
- 3."All alternatives of all solutions are present in all societies at all times but are differentially preferred". (Kluckhohn and Strodtbeck, 1961, pp.4)

One of the questions was purposed for human behavior motivation and with following answers: The prime motivation for behavior is to express one's self ("Being") or to grow ("Being-in-becoming"), or to achieve ("Doing").

Following Table displays values orientation toward inquired question.

Table 4. Motivation source for behavior

Question	Orientation	Description
Motive for behavior	Being	Our motivation is internal, emphasizing activity valued by our self but not necessarily by others in the group
	Being-in-becoming	Motivation is to develop and grow in abilities which are valued by us, although not necessarily by others
	Achievement ("Doing")	Our motivation is external to us, emphasizing activity that is both valued by ourselves and is approved by others in our group.

Source: Hills (2002), pp.5

As an example, a person from a "doing" culture may find a person from a "being" culture difficult or lazy. Conversely, a person from a culture that prefers "being" may find a person from

a "doing" culture excessively anxious and demanding. Training with the VOM (Value Orientation Method) which base is composed with above mentioned human motivation values helps people on both sides of a conflict understand the foundation assumptions they make about how they need to treat each other and how they expect others to follow their norms. With knowledge of themselves and of the other participants in a conflict can refrain from misattribution of meaning and intent and better address the real conflict (Gallagher, 1992).

Incentives driving Human action

According to Schwartz (1992) values are believes, holding important meaning in one's attitude. When values are activated, they become filled with feeling. People for whom independence is an important value become worried if their independence is threatened, despair when they are helpless to protect it, and are happy when they can enjoy it.

Values refer to desirable goals that motivate action. People for whom social order, justice, and helpfulness are important values serve as main motivation to follow these goals.

Values urge specific actions and situations. Obedience and honesty values, usually relevant in the workplace or school, in business or politics, with friends or strangers. This feature distinguishes values from norms and attitudes that usually refer to specific actions, objects, or situations.

Values are the socially desirable concepts used to represent these goals mentally and the special term used to express them in social interaction.

Universalism is related with human's natural characteristics like understanding, appreciation, tolerance, and protection for the welfare of all people and for nature.

Preserving and enhancing the welfare of those with whom one is in frequent personal contact (the 'in-group') is Benevolence.

Attributes related with Benevolence are honesty, helpfulness, forgiving, responsibility, loyalty, true friendship and mature love.

Tradition is related with respect, commitment, and acceptance of the customs and ideas that one's culture or religion provides. Groups everywhere develop practices, symbols, ideas, and beliefs that represent their shared experience and fate.

Conformity restrains of actions, inclinations, and impulses likely to upset or harm other and violate social expectations or norms.

Security is closely related with safety, harmony, and stability of society, of relationships and of oneself. Security values derive from basic individual and group requirements (Maslow, 1965).

Achievement. Personal success through demonstrating competence according to social standards. Competent performance that generates resources is necessary for individuals to survive and for groups to reach their objectives. As defined, achievement values emphasize exhibiting competence in terms of prevailing cultural standards, thereby obtaining social approval. Aspects related with achievement are ambition, success, capability, influence.

Preservation of social status and authority, control or dominance over people and resources can be called power. It is widely considered the functioning of social institutions apparently requires some degree of status differentiations (Parsons, 1951).

Stimulation relates with human attribute aspects like excitement, novelty, and challenge in life. Stimulation values derive from the human's natural necessity for variety and stimulation in order to maintain an optimal, positive, level of activation (Berlyne, 1960).

Hedonism values appear from natural needs and the pleasure associated with satisfying them. Anthropologist like Williams (1968) referred hedonism related with attributes like pleasure, enjoying life, self-indulgent ²

Self-direction associates with motivation which involve human desire for creativity, freedom, making own goals, being curious and independent. It implies independent thoughts and free choice of action creating and exploring.

2.3 Human vs. Environment

In different national cultures there is a different attitude towards nature, surrounding environment. This may be a domination of nature, the harmony or subordination to, in some countries the people in opposition to nature and feeling superior to her in attempt to subdue the environment, to conquer nature.

For the question what is the relationship between Humanity and its natural environment – mastery, submission or harmony, Strodtbeck and Kluckhohn (1961) proposed values orientation within particular cultures based on optional choices provided. Table 8 clearly displays description relative to each value orientation.

Table 5. Human and Natural environment relation

Question	Orientation	Description
Humanity and Natural Environment	Mastery	We can and should exercise total control over the forces of, and in, nature and the super-natural.
	Harmonious	We can and should exercise partial but not total control by living in a balance with the natural forces.
	Submissive	We cannot and should not exercise control over natural forces but, rather, are subject to the higher power of these forces.

Source: Hills (2002), pp.5

According to referred options to choose it stands obvious some nations tend to mastery the nature, others would like to stay in harmony and another prefer to follow nature's rules and don't prevent never to occasions happening in natural way.

In relation to the environment Trompenaars (1997) divides culture *internally* and *externally* driven. The representatives of the first type of cultures believe in the possibility of control of the results and, therefore, focused on the management of internal resources. People who belongs to the second type of cultures, believes that the events take their course, and what one can do is only adapt to that situation.

Most American managers believe that they are masters of their own destiny, and this is reflected in the desire to alter the environment, and they often operate in a fairly aggressive manner. However, the American manager would feel very uncomfortable if things go out of control. Most Asian cultures do not share these beliefs. Their representatives are based on the fact that the development is staggered and it is important to "seize the crest of a wave and go with the flow" (Trompenaars, 1997). According to Trompenaars (1997), interaction with the cultures in which prevail view of an ability to control the environment must be tough to achieve goals and sometimes giving the occasional win for an opponent. While having interaction with more

² Though it is an important value, happiness is not included, because people achieve it through attaining whatever outcomes they value (Sagiv & Schwartz, 2000)

fatalistic type of culture, one must be persistent and polite to maintain good relations with partners, and try to win together and loose separately (Trompenaars, 2010).

2.3.1 Uncertainty Avoidance

The uncertainty avoidance dimension expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. The fundamental issue here is how a society deals with the fact that the future can never be known. Countries exhibiting strong UAI (Uncertainty Avoidance Index) maintain rigid codes of belief and behavior and are intolerant of different behavior and ideas than theirs. Weak UAI societies maintain a more relaxed attitude in which practice counts more than principles. (Hofstede, 2000)

Depending on uncertainty avoidance transfer of management skill between cultures could have small and large gaps. In society where uncertainty avoidance level is high it is supported that people must follow prescribed rules.

It is important for that society that order inside is preserved and by that way feel sure of predictable situations are going to happen. "*Law and order*" are important points in such society. In case they feel unpredictability of negotiation then it is considered not fine.

For society with low uncertainty avoidance level it is not so much important existence of written rules and following of that rules. Even there are written and unwritten codes people behave toward future situation with opportunistic point of view or convenience. People are able to live in situations where there are no rules. People from this sort of society adapted to change to other rules if previous rules doesn't fit or satisfy their interest and comfortable with situation where result prior is not predictable.

Table 9 displays main differences between high and low UAC listed by order related openness to new experience and employment stability etc.

In case of management skills transfer it is worth to pay attention for formalization of structures and standardization of procedures. For countries with high uncertainty avoidance culture while delivering some documents from low uncertainty avoidance culture nations all transferred documental procedures and structures should comply required standardization and formalization otherwise feeling of necessary concern of things assumed disregarded. But for relatively less formal society it would may seem like unnecessary actions.

On the other hand, when document procedures delivered to low uncertainty avoidance culture from comparatively formal society, extra formalization and standardization may need to be neglected before they are applied.

In high UAC short and medium-term planning deserves more top management attention than in less UAC. On the other hand rethinking of fundamental goals of an organization is more preferred in less UAC as reason of frequent changes in strategic planning requires great tolerance and patience (Hofstede, 2000).

More uncertainty avoiding countries exhibiting of emotional expressions is easy tolerated than in less UAC. More UAC countries like those of Mediterranean Europe and Latin America pass over less UAC countries like those of Asia and Northern Europe in being noisy and emotion.

Being emotional, raising voice can be easily accepted for a manager in high uncertainty avoidance culture, but for less UAC it may provoke loss of respect toward manager.

This is one of unsuspected danger in interaction of different cultures.

More UAC are not friendly with difference of opinion toward politics, science, business etc.

Such societies don't support difference in view, actions and consider dangerous what is different.

In the organizations, difference of opinions may cause for innovation, which is not praised and welcomed well (Hofstede, 2000).

In less UAC innovation in organizations appraised but not necessarily applied.

Difference has no status of danger. If there exist negative difference regarding actions and view of society, it is easily taking form of ignorance.

Table 6. Uncertainty avoidance Indicators

Low UAI	High UAI
Lower work stress	Higher work stress
Lower anxiety level in population.	Higher anxiety level in population
Emotions have to be controlled.	Expression of emotions normal
People claim not to express embarrassment, anger, and guilt.	People claim the expression of embarrassment, anger, and guilt
Facial expressions of sadness and fear easily readable by others	Nature of emotions less accurately readable by others
<i>Subjective Well-Being (Happiness)</i>	
More subjective well-being.	Less subjective well-being
Feelings of happiness shared.	Feelings of happiness widely dispersed.
<i>Employment Stability, Seniority, Generation Gap</i>	
Less hesitation to change employers. Lower average seniority in jobs.	Tendency to stay with same employer. Higher average seniority in jobs.
Company loyalty is not a virtue.	Company loyalty is a virtue
Managers should be selected on criteria other than seniority.	Managers should be selected on basis of seniority.
Preference for smaller organizations.	Preference for larger organizations.
Optimism about employers' motives.	Pessimism about employers' motives.
Admit dissatisfaction with employer.	Don't admit dissatisfaction with employer.
More ambition for advancement and management positions.	Lower ambition for advancement and preference for specialist positions.
Individual decisions, authoritative management, and competition among employees acceptable.	Ideological preference for group decisions, consultative management, against competition among employees.
Favorable attitudes toward younger people; smaller generation gap.	Critical attitudes toward younger people; larger generation gap.
<i>Openness to New Experience and Information; Trust</i>	
If necessary, employees may break rules	Company rules should not be broken
Less resistance to changes.	More resistance to changes.
Most people can be trusted.	One can't be careful enough with other people, not even with family.
Acceptance of foreigners as managers,	Suspicion of foreigners as managers
Harmony with nature less appealing	Ideological appeal of harmony with nature

Source: Hofstede, 2000, pp. 160

2.4 Human vs. Time concepts

Different cultures have different attitudes to time, have different temporal orientation: the past, present, or future. Based on inclination to specific time orientation societies tend to have different views in solution approach for same questions.

2.4.1 Time as communication

It is vital importance to be able to read information related with time of other cultures. If one misses to be in time to designated appointment with representative from North European countries he may lose all upcoming benefit terms in his favor. For these sort of societies is very important to be in same step with time and not to follow time agreement accepted as an insult.

Therefore, learning main aspect of following right time delivery or appointment meeting will serve for favor of one and avoid receiving negative feedback.

Other nations could be more tolerant with time agreement, for example France. These sort of countries considered to be polychronic, where time is accepted as round circular phenomena rather than line shape with end points and they don't evaluate the time as it is valued by monochronic oriented cultures (Hall, 1990).

There are difference in time boundaries, approaches accepted how to accomplish particular jobs and in negotiating, administering in particular societies. In international background work environment in order to be successful everyone need to follow synchronized pace of working together.

Scheduling and lead time has different meaning for different cultures. For Germans, for example, it means predefine all activities before hand and act according to that arrangement. Time order for each activity is written. Usually schedules related how long it will take to prepare certain job, request meeting, vocation in advance. Lead time associated with importance of certain job and individuals attracted in that. Small lead time mention less significance of one job.

In German speaking countries minimum advance lead time is two week while in Japan and Arabic counties the lead time is comparatively short, three or four days.

In monochronic cultures the messages of time more significant than in polychronic culture.

In polychronic culture time message doesn't hold strong meaning as in previous. And not following the proper appointment time not necessarily means downgrading someone's respect, in other words, in international environment one need to keep in mind the approaches made in his culture may not be always same as in other culture and it is not preferable to project messages related with time as it is accepted in the own culture way.

Interaction between monochronic and polychronic culture can be taught unless they could decode the meanings behind messages under time languages they used to adapt. The language time is much more resistant to change than other cultural systems (Hall, 1990).

2.4.2 Time value orientation

Table 10 presents value orientation regarding time proposed by Kluckohn and Strodtbeck (1961). Different nations tend to focus on different time periods as Past, Present, and Future to relate with time.

Table 7. Time orientation by Strodtbeck and Kluckhohn

Question	Orientation	Description
Time	Past	Focus on the past (the time before now), and on preserving and maintaining traditional teachings and beliefs.
	Present	Focus on the present (what is now), and on accommodating changes in believes and traditions.
	Future	Focus on the future (the time to come), planning ahead, and seeking new ways to replace the old.

Source: Hills (2002), pp.5

According to orientation regarding time a society that has a preferred "past" time orientation might express a high value for traditional ways, drawing on the past for its present values, and quite probably valuing elders who carry that knowledge. Conversely, a society with a preferred "future" orientation would more likely draw its values from what will serve to shape the future and would more likely value planning future options. Other culture will orientate for the present time period just because all important thing supposed to take occurrence in present.

2.4.3 Monochronic and Polychronic orientation

There are two main important time for international business. They are known as monochronic and polychronic time (Hall, 1990).

Monochronic time means doing one thing at a time. Monochronic time is divided into segments so one can concentrate on one thing at a time. In cultures that are support this sort of time system the schedule could have high priority above all. Usually Americans are used to apply this type of time system into their everyday work. Usually people directed with monochronic time system don't like to be interrupted. Western cultures as Switzerland, Germany, and Scandinavian countries in particular are dominated by the iron monochronic time as well (Hall, 1990).

Monochronic time lies opposite to polychronic time. Polychronic systems are the antithesis of monochronic systems. Polychronic time means being involved with many things at once and involves many numbers of people. Emphasis made on accomplishing human affairs by priority then following schedule. (Hall, 1990)

Polychronic time is experienced as much less tangible as monochronic time and can better be compared to a single point than to a road. To have better view about difference between Monochronic and Polychronic type of cultures in table 11 displayed attributes related to each of them.

Table 81. Comparison between Monochronic and Polychronic culture.

MONOCHRONIC PEOPLE

- Do one thing at a time,
- Concentrate on the job
- Take time commitments (deadlines, schedules seriously)
- Are low-context and need information
- Are committed to the job
- Attached extremely to the plans
- Are concerned about not disturbing others; follow rules of privacy and consideration
- Show great respect for private property; seldom borrow or lend
- Emphasize promptness
- Are accustomed to short-term relationships

POLYCHRONIC PEOPLE

- Do many things at once.
- Are highly distractible and subject to interruptions
- Consider time commitments an objective to be achieved, if possible
- Are high-context and already have information
- Are committed to people and human relationships
- Change plans often and easily
- Are more concerned with those who are closely related (family, friends, close business associates) than with privacy
- Borrow and lend things often easily
- Base promptness on the relationship
- Have strong tendency to build life time relationship

Source: Hall, 1990, pp.15

With economic development the concept of time value prevails to meaning that time is money and should be well mastered in more uncertainly avoiding countries. In less uncertainty, developed countries, it is more considered as a pattern of orientation.

In traditional, more UAC (Uncertainty Avoidance Country) time is scanty and people are usually in a hurry. But for traditional and less UAC accept time as a circular not linear and don't hurry much.

In more uncertainty avoidance countries it becomes more natural to be punctual and precise. Japan for example is very precise in its industries which are supported with its high UAC.

In more traditional societies being punctual and precise is regard notion. It is mean one can be punctual towards superior and not very punctual toward subordinate. Generally, time is a not scarce resource and there are "several clocks" (Hofstede, 2000).

In more UAC, traditional countries are precise and punctual in ritual meanings in executing religious ceremonies.

2.5 Human to Space relationship

According to Hall (1990) every living thing has a visible physical boundary-its skin- separating it from its external environment. This visible boundary is surrounded by a consequence of invisible boundaries that are more difficult to define but are just as real. These other boundaries begin with the individual's personal space and terminate with her or his "territory."

Territoriality is one of main characteristics peculiar for human being and considered important. In humans territoriality is high developed and strongly influenced by culture.

Space also implicates power. In both German and American business, the top floors are reserved for high- ranking officials and executives. In contrast, important French officials occupy a position in the middle of the building. The meaning of that is to be able create central position in an information network, where one can stay informed and can control what is going on (Hall, 1990).

Personal space may expand or contract depending surrounding people, the context, person's emotional state, cultural background etc.

Comparing south Europeans which include countries like Greece, Italy, Spain, southern France to northern Europeans it is obvious connection between southern Europeans is closer in distance. Personal space has special meaning for most of north European population. People from these countries tend to keep distance, changes in distance may cause by crowd or other reason may rise aggression (Trompenaars, 1997).

2.5.1 The effects of territory and personal space on human communication

In his work on proxemics, Hall (1990) separated his theory into two overarching categories: personal space and territory.

Concept of territoriality described by Altman (1975) reclaims existence of primary and secondary and public zones. The main difference between these territories is expansion of ownership feeling to certain territory. The first one is very special for one and usually indicated with personal belongings etc. This zone can't be invade without permission whom it belong otherwise it could lead to occurrence of embroilment. Bedroom or homes often indicates as a primary territory. The belongings which could be qualified as secondary territoriality indicated with such sort of elements like TV, magazines, eating utensils etc. which are not central to daily

life of owner. More conflicts are tend to rise in this territory because of confusion about private and public zone boundary is obscured.

Pubic territories with example as parks, street, beaches, seats on public transportation etc. are not matter of debate and shared well between individuals as long as nobody has high feeling of ownership for mentioned elements. In such sort of situation the temporary occupancy and ownership is important.

Territoriality is a basic concept in the study of animal behavior. It is defined as behavior by which an organism characteristically lays claim to an area and defends it against members of its own and other species.

Another important aspect of proxemics is the use of **Personal territory**. In brief, there are four areas of personal territory; public, social, personal, and intimate.

- **Intimate distance** for embracing, touching or whispering
- **Personal distance** for interactions among good friends or family members
- **Social distance** for interactions among acquaintances
- **Public distance** used for public speaking

Realizing and recognizing these cultural differences improves cross-cultural understanding, and helps people to eliminate discomfort feeling if the interpersonal distance is too large ("stand-offish") or too small (intrusive).

The relation between time and space

For monochronic time culture it is important for one to have his own space where he can accept people and work in his privacy. In polychronic cultures, business enterprises usually have reception areas where people can wait. According to polychronic culture people feel that private space disrupt necessary information streams by closing people from one another (Hall, 1990).

Company or government superiors can do their work and business deals by approaching one after other attended.

In polychronic culture appointment means very little and could be shifted depending on urgency of occurring affairs related to individual's hierarchy of family, friends, or associates. Polychronic people give to their large circle of family members importance over any business obligation. The close links to clients or customers creates a reciprocal feeling of obligation and a mutual desire to be helpful.

2.6 Human Communication

People use to communicate with each other in diversity variation of ways; gestures, mimics are essential signal of delivering information what about one person would like to say. Usually people use to contact each other in way of speech, letter etc. And this way of delivering information is very important while communicating within intercultural environment.

It is great importance how to release right response for partner and knowing the right amount of information need to be delivered. In case one is communicating with German one need to take into account that German is low-context and information submitted need to be detailed.

In France emphasis is on formal way. If one is informal or casual in delivering response then most likely French will not accept it serious. Being polite and formal is way to approach to French in right way (Hall,1990).

The indicator that one is releasing right answers is knowing the culture of person who you are responding. This sort of nuances is very important when conducting business negotiations and contacts.

2.6.1 Low vs. High Context communication

Edward Hall (1976) divides individualism and collectivism cultures into low and high context communicating cultures respectively. Many things that in collective cultures are self-evident must be said explicitly in individualist cultures. For example American business contracts are much longer than Japanese business contracts (Hall, 1990).

In polychronic countries flow of information is very high and there are no overloading of distributing channels as people stay constant contact. In Japan executives even share private offices with other stuff so everyone stay tuned about operations being performed. In France (Hall, 1990) executives usually has tie contact with central bureau chief so he can be always stay informed. In these cultures are highly informed and usually need brief information about necessary things happening around transactions.

As reason of being high-information-flow culture the drive to stay in touch and keep communication is very strong. Being out of touch means to cease live as human being.

American and northern European culture enterprises are in their essence low-flow information is associated with both low-context and monochronic time deriving from dividing every task by time order and human professionalism. In U.S. information flow is slow because executives are seal themselves off from excessive information by private offices. American executives often don't share information with their staff or with other department heads. (Hall, 1976)

Usually it appears that blockage of information made by executives who are blocking information from down to up and from up to down. It is difficult to reveal such aspects in low-context culture while it is immediately disclosed in high-context cultures.

3 Methodology

Introduction

In methodology part of this work was applied exploratory qualitative research methods applying abductive approach, which means method involving logic and observation. “Deductive approach is concerned with existing theory, and then designing a research strategy to test the hypothesis” (Wilson, 2010, p.7).

Definition of Qualitative research is a method of inquiry employed in many different academic disciplines, traditionally in social sciences, but also in market research and further context. Qualitative research deals with phenomena that are difficult or impossible to quantify mathematically, such as beliefs, meanings, attributes and symbols; it may involve content analysis (Denzin and Lincoln, 2005).

Main hypothesis is that due to cultural difference between most of European Countries and Kazakhstan, which varies comparatively large author decided it is necessary to distinguish and prove it by research analysis as long as there are observed mutual affairs growth between countries which has significant impact on International management.

Qualitative research aim to collect thorough understanding about human behavior and reasons causing those behavior and looks for answer *why* these or other sort of behavior occurs.

Qualitative research deal with “world view” which is holistic and usually characterized as following:

- There doesn't exist notion of single reality
- Reality has different perception by each individual and tendency changes over time.
- What one now is that scoped within a given situation or context.

The reasoning process used in research engages collecting small pieces to bring whole piece. (Muhammad, 2011).

Main characteristics of Qualitative research are: Reality is dynamic as long as perception of reality changes by perception of humans. Value bound are taken into account while research report is made. Investigation are carried under natural conditions. Discovery orientation preserved during investigation, theories and hypotheses are emerged from collected data. Data is considered to be subjective for reason that data are perceptions collected together from different sources (humans). The result pursued is to develop design and procedures to access real and rich data. Chief collecting tool is human himself (Saladana, 2012).

Focus groups, in-depth interviews, content analysis, ethnography, evaluation are among the many formal approaches that are used in qualitative research data collection. (Marshall, C. and Rossmann, G., 1998)

This work based on descriptive study of cultural differences aspects of ten expatriates from European countries related to Kazakh culture, who have long contact experience with local people in Kazakhstan.

Aim of the study

The work describes what are the main cultural differences regarding behavior, attitude, and communication according to EU expats view about Kazakh partners in work field and outside of it.

Review of Literature

Core words in methodology used: Cultural dimensions, Value orientation, Power distance, Individualism and Collectivism, Masculinity and Uncertainty avoidance. Openness to change, Self-enhancement, Conservation.

Mainly was used Google scholar, Science Direct, scholarworks.gvsu.edu, Wikipedia.org and other for search of necessary information related to core words from dissertation.

Samples

Before starting an interview phase an appropriate sample group must be chosen. The humans used as a sample group must have a background from own culture and have sufficient encounters with representatives of another culture.

Interviews were made deliberately with expatriates from EU, who currently stay or used to stay in Kazakhstan and who have comparatively vast knowledge about local people culture, traditions, and behavior. It was specifically chosen expats as reason of different view to things. It would be quite difficult to discern cultural differences for local people as far as they get used to it and think the way they use to live and behave satisfies the level of norms set in all over the world.

Suitable candidates filling the requirement were found by social networks, direct contacts to international companies.

The right profile of interviewee considered to be born and grown in European country with experience of stay in Kazakhstan no less than 6 month.

The expatriates are mainly engaged in large/small businesses and service areas. By occupation they are managers, IT specialists, Pilots, and event organizers etc.

Average age is between 30-56 years. The samples were invited to make interviews and share their opinions.

As far as there isn't assigned specific number of samples required for the research to be examined it was felt ten samples would be enough for collecting information varied and detailed enough for the purpose of this study.

All the candidates were contacted via introductory e-mail which introduced the aim of the dissertation. Every introductory letter included source of contact information in order to create trust from the very beginning. All the interviewees were given the possibility to choose preferred time and location for conducting the interview. Due to anonymity the real names are changed and company names are not published.

Samples list information

Name	Age	Nationality	Occupation	Organization
Mathijs Olij	41	Dutch	Founder	Barista-Academy.org
Reiner Donkersloot	31	Dutch	Managing director	Skymax
Ulrich Remhof	52	German	Chief Medical Officer	International SOS Kazakhstan
Grahame Hedger	55	English	Director	Sky Talk (aviation English) Ltd.
Heiko Mussman	35	German	Department	Bayer

			Manager	Pharmaceutics
Talbott (Anonymous)	37	English	Director	Cushman & Wakefield
Peter (Anonymous)	39	German	Representative	Gosselin
Ray Mac Shane	48	Irish	Director of sales and marketing	Hyatt Regency Almaty
Edward (Anonymous)	45	English	Manager	Baker Tilly
Matthias Baumgaertel	36	German	Director	ABB Automation Division

4 Findings

Expats chosen as a sample for interviewing are from Germany, Netherlands, and UK.

Following diagram based on quantitative analysis of sociologist Hofstede, G. who collected data across 70 nations, close to 100 000 questionnaire, where IBM work organizations were located.

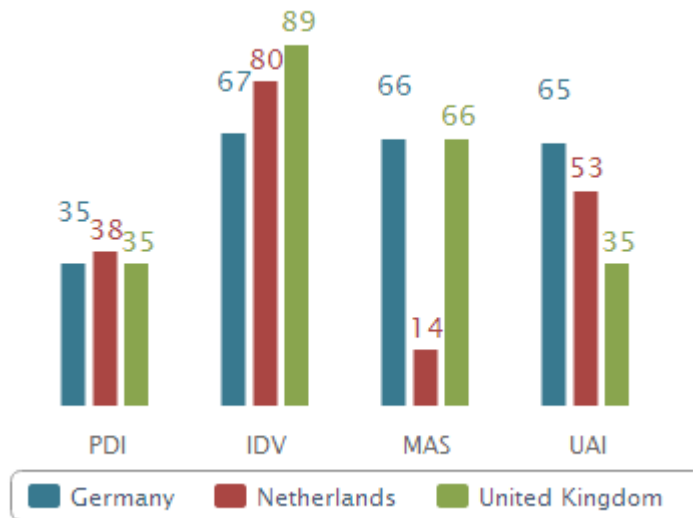


Figure 2. Hofstede's cultural dimensions scores for Germany, Netherlands and UK

Above diagram appeared as a result of Hofstede's research analysis for countries where interviewed expats come from (Germany, Netherlands, and UK).

4.1 Literature review framework outcomes

After processing of materials related to cultural attributes were withdrawn several aspects for presenting characteristics of national cultures. (See Appendix 1)

4.1.1 Masculinity Index

1. Among Kazakh partners is value of women and men very different?
2. From perspective of respondents do Kazakh partners consider challenge and recognition in work as an important aspect?

For the above questions revealing general state of society concerning *masculinity index* majority of expats gave respond that people with whom they had interaction tend to have high masculinity index. Position of men is usually higher in many contexts. And many local employee tend to accept challenge and recognition in work as significant point.

Quotes of Mr. Mathijs (Netherlands) related his view about masculinity degree "...People in Kazakhstan are more tend to be masculine comparatively to Europe and have feeling the main decisions should be made by men". The other respondents' replies were more or less close to mentioned quote.

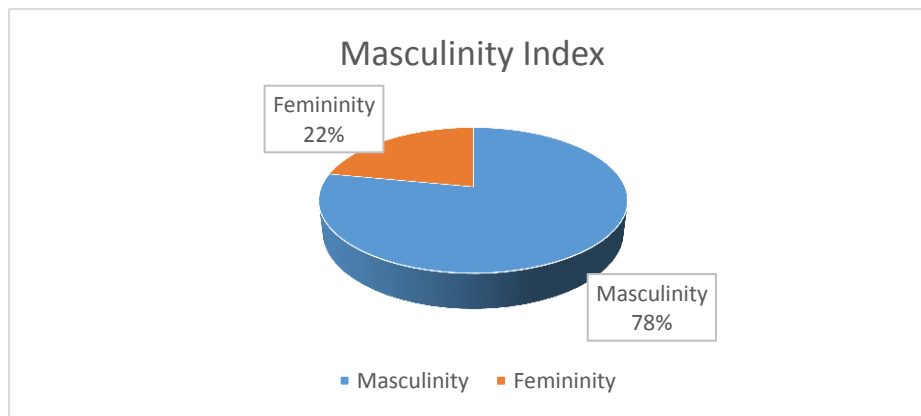


Figure 3. Pie-chart showing the proportion of interviewees mentioning Masculinity

4.1.2 Uncertainty Avoidance Index (UAI)

During interview session following question were inquired to reveal about Uncertainty Avoidance Index degree among population.

From point of interviewees do Kazakh partners who work with you may break organizational rules if necessary?

The majority of replies confirmed that local employees they use to work together have low UAI, it means they tend to break laws if necessary.

Another question to fortify the position of Low Uncertainty Avoidance was frequency of emotional expressions. Is it approved by majority to express feelings and emotions?

According to given answers the people tend to hide emotion then display it.

And striving to management positions and display of ambition for advancement referred that among population prevails Low Uncertainty Avoidance attribute.

Quote from interview with Mr. Graham (UK) “...Among young generation I observed strong exhibition of ambition to reach senior position as manager and director and generally people avoid less of risks”

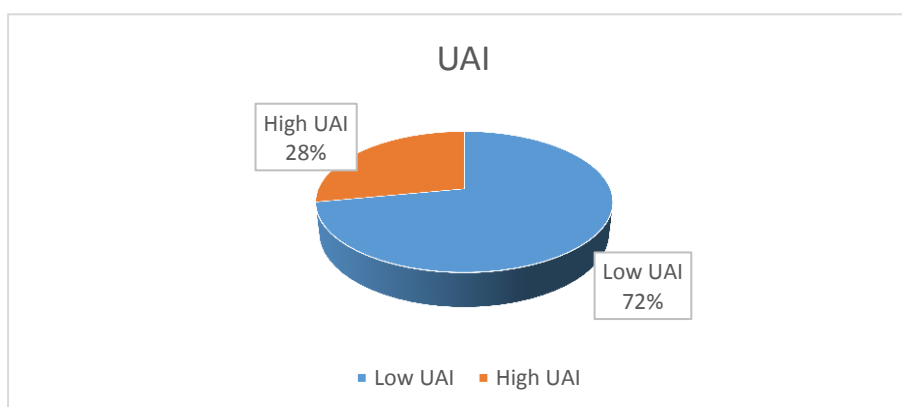


Figure 4. Pie-chart showing the proportion of interviewees mentioning UAI

4.1.3 Power Distance Index (PDI)

According to respondents reply there exist large power distance inside of local companies organizational structure.

From perspective of respondents in local organizations exist substantial power position differences among subordinate and superior workers. And authoritative leadership seems present more than consultative leadership.

Part of interview with Mr. Reiner (Netherlands) referring to PDI “...*From my point of view in local companies the superiors has large decision power than other members of company and subordinates in many cases obey decisions and informal rules without being consulted set by superior and by top positions.*”

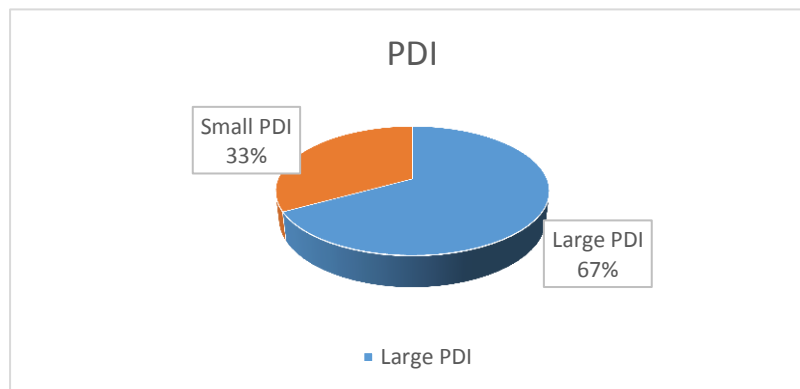


Figure 5. Pie-chart showing the proportion of interviewees mentioning Power Distance Index

4.1.4 Individualism Index

From analysis observed about interviewees responses local population of Kazakhstan tend to hold more individualistic view than collective. As evidence approving this statement is specific points regarding communication of people in work environment. Relation among workers tend to resemble business deals than family bounds. And majority of workers support to make individual decision more than group decision.

During interview with Mr. Talbott (UK) it was possible to reach some conclusions about Individualism index prevailing in local organizations “...*Co-workers who had local ethnicity were usually inclined to take individual decisions rather than consult with other members, so from my point of view currently there is prevalence of individual decision making than collective*”

Other interviewees had same views related to their local partners in their work environment. Many local partners exhibit inclination to make self-decision in most cases.

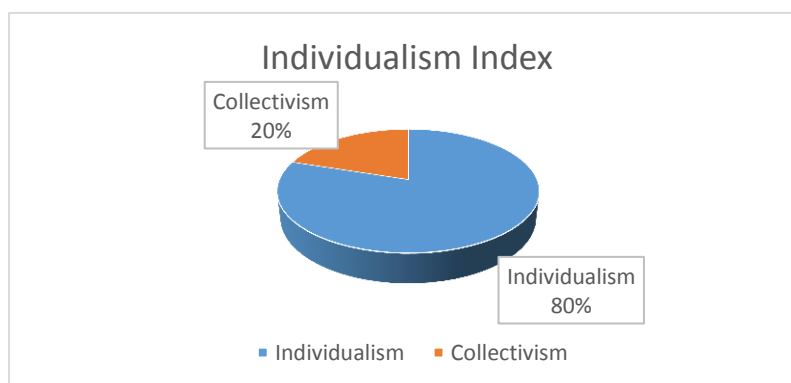


Figure 6. Pie-chart showing the proportion of interviewees mentioning Individualism Index

4.1.5 Flexibility in time frame

During interview analysis was discovered new category of cultural dimension characteristic for local people. Analysis displayed that local Kazakh partners were flexible with time frame concerning schedules and deadlines. European partners were confused with time relation of local people. Following question were asked to assist discover this assumption:

Are Kazakh partners critical with schedules and lead time or is it usually possible to reschedule/postpone the things for later time and proper lead time can be divided to accomplish certain job?

The answers of majority identified existence of poor appointment and deadline meetings by Kazakh partners. Related quote of one of respondent's interview, Mr. Edward (UK) *"...In many occasions when although prior meeting appointment was settled Kazakh partner used to come to meeting either very early or late than indicated time"*

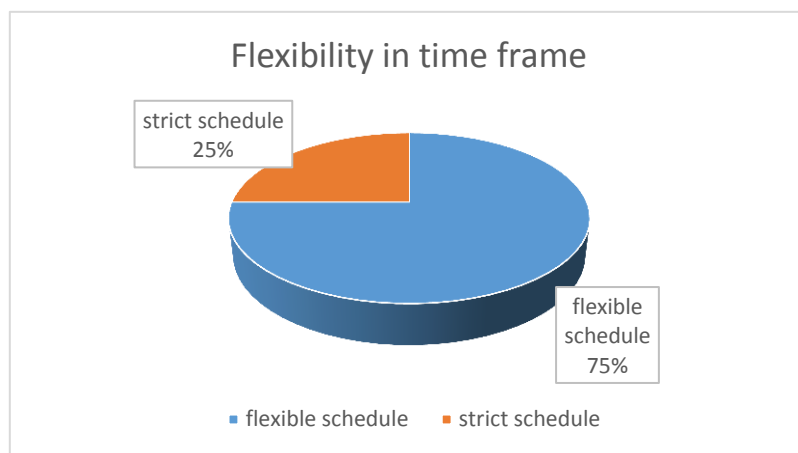


Figure 7. Pie-chart showing the proportion of interviewees mentioning flexibility in time frame

4.1.6 Monochronic and Polychronic orientation

Interview analysis showed that majority of local people inclined to be Polychronic than Monochronic oriented as far as tried to do several things at a time and hadn't certainty to follow settled plans, schedules and made many changes into the plans if they hadn't go as expected.

And other characteristics attribute to Polychronic people is being high context capability of communication. When information spread very quick among partners and people don't need to receive detailed information in order to have idea what is talked about and to accomplish things, orders.

Main question regarding this aspect was did Kazakh partners use to accomplish one thing at a time and concentrate on the job or did many things at once and if there was necessity to explain in detail to make the things clear enough to accomplish?

Interviews with respondents gave assumption that their local partners tend to hold Polychronic position as long as they suit above mentioned criteria.

One of interviewees, Mr. Heiko (Germany) quote regarding this cultural dimension: *"...local co-workers attempt to fulfill several task at a time and sometimes they were successful and sometimes not in accomplishing jobs simultaneously."*

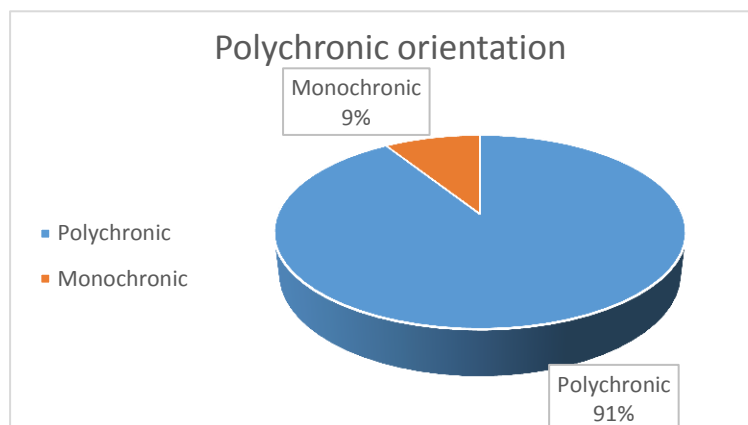


Figure 8. Pie-chart showing the proportion of interviewees mentioning Polychronic orientation

4.1.7 OPENNESS TO CHANGE VS. CONSERVATISM

Openness to change and Conservation are two opposite values. According to collected data in Kazakhstan those values ratio exist almost in same amount but gradually arising amount for *openness to change* prevails, while in Europe in generally accepted that openness to change prevails over tradition values considerably. Comparatively, Kazakhstan considered to be more traditional than Europe (North).

One of cultural dimension proposed by social psychologist, Schwartz S.H. (1992) to reveal qualities related to stimulation and self-direction of population is *Openness to changes*. To understand what assumption did EU expats have about their local partners were asked following question:

Do you evaluate them from perspective of Openness to change as a people who strive to live exciting life, exhibit creativity and freedom?

According to majority of respondents' answers it was reached to assumption (hypothesis) that local partners were quite open to changes and strive to live exciting life. Following quotes from interview with Mr. Peter (Germany) confirms this assumption. "*...in vocations people want to go to trip far distances. They would like to see and know other cultures and places. Exhibit creativity and try to make exciting their life, especially young generation.*"

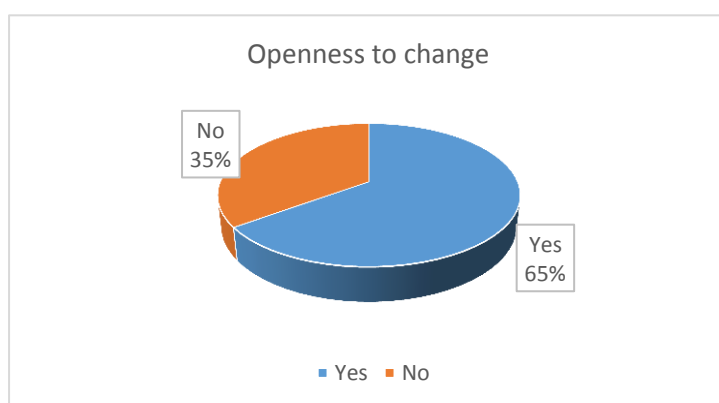


Figure 9. Pie-chart showing the proportion of interviewees mentioning Openness to change

4.1.8 SELF – ENHANCEMENT VS. SELF – TRANCEDENCE

In Kazakhstan according to empirical data analysis it was observed that people exhibit strong attempts to reach underlined goals. Assumed presence of high ambition. Achievement and power

aspects important for local organization structure. In terms of Universalism and Benevolence which refers for self-transcendence Europe stays considerable beyond of Kazakhstan. Europe representative countries, especially north-west tend to be close to values of self- transcendence, which implies concerning about other peoples` issues as well as theirs.

Quote from Interview with Mr. Antonio: *“In work environment local young generation exhibit high ambition and efficiently fulfilling the goals. Less necessity for external motivation.”*

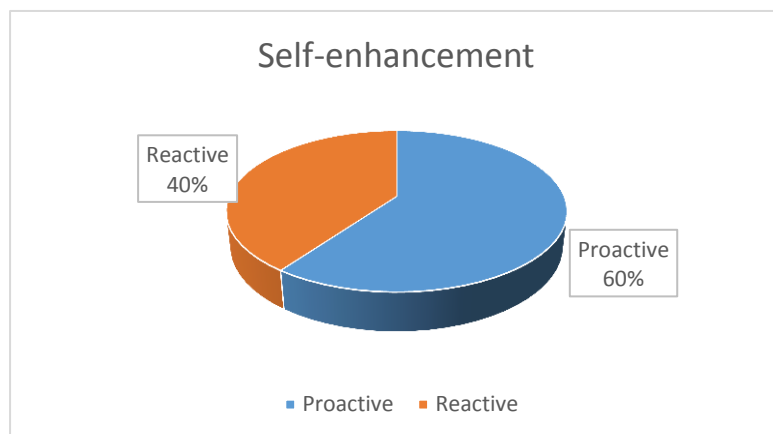


Figure 10. Pie-chart showing the proportion of interviewees mentioning Self - enhancement

4.1.9 Nature of Human

During analysis of Interview data results exhibited that local people of Kazakhstan were naturally friendly. And according to Strodbeck and Kluckhohn`s (1961) theory of human nature local people were categorized to have friendly nature – “good/ mutable”. In revealing this assumption respondents were asked following question:

Weather you think local Kazakh partners are naturally friendly? Do they like to help others? If no, why not? Because they are shy or because they are not very good people?

Majority of respondents replied that local were more friendly than not friendly.

Quote from interview with Mr. Matthias (Germany): *“...From my point of view Kazakh people are friendly and tend to assist, especially out of work environment.”*

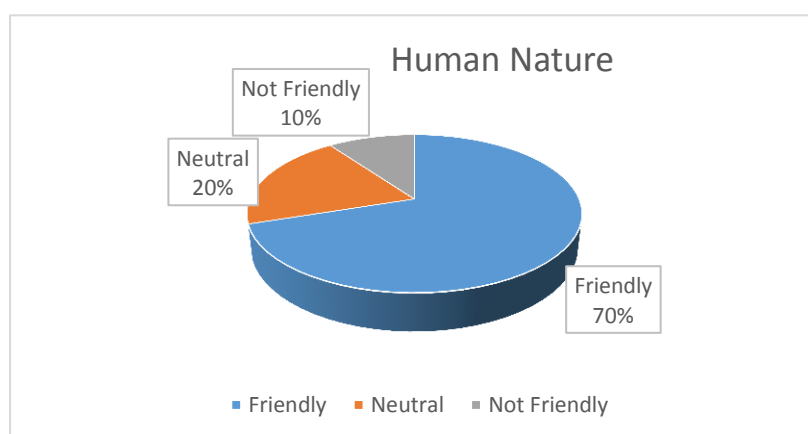


Figure 11. Pie-chart showing the proportion of interviewees mentioning human nature

As a short reference for above analysis it was prepared table with interviewees' opinion for each dimension (See Appendix 2).

Discovered new dimension during research

Hierarchy system predominance

One of prominent points mentioned with respondents is high rate of hierarchy in organizational structures and in the way people use to accept and expect the order in organizations. In Kazakh society and organizations social statuses and roles structured according to difference of power and authority, which mostly originate from wealth, family, professional and educational level.

Almost every interview included mention of hierarchy existence in organization and it was evaluated in negative view, according to interviewees 'opinion this phenomena served as hinder and impedance for creativity. Majority of experience handled by respondents highlighted the importance of title and position in company. It also referred to the way of exercising the authority, power and right to give orders. And this conclude the large hierarchical system dominance among local companies. According to respondents there existed comparatively many vertical direction administration layers. Ruling with many levels in vertical direction was observed while in general in European countries were observed comparatively less level of vertical layers of ruling and administration.

The Kazakh companies' internal relations was considered to be more formal as the relations between people are highly influenced by the positions people hold. As it was explained in flat organization managers tend to guide the work stuff rather give an order and subordinates engaged in decision taking processes. In high hierarchal organizations much significance emphasized on manager and he accepted as central person who almost every time makes decision his own.

Long time spending to execute orders. The expat respondents considered the Kazakh chain of command to be very time consuming as all the issues first had to move up the chain and then the decisions and orders had to move down the chain again and only after that could be executed.

The importance of positions and titles was also one of the difference point rising in the context of hierarchy and organizational structure. Kazakh company's internal work environment was felt highly more formal due to the titles and differences between positions. For example if in Germany one can address colleagues freely by their first names, then in Kazakhstan the common practice is to use first name and last names together.

Orders in hierarchal organization has special recognition. Roles and the job people need to accomplish are defined by manager who is in charge of everything. According to interview it is highly noticed that manager establishes the framework of rules and everybody take positions and responsibilities according to that. The willingness to fulfill orders could also be indicated by the flexibility and openness of the Kazakh workers. Kazakh were considered

less complaining at work and having enormous respect for managers by questioning less their actions and orders. This newly emerged dimension during the research seems to author most discerning dimension between Europe countries, specifically Northern and Kazakhstan. These type of reactions for orders could be reason of history and mostly regard older generation. Till 1990 the Kazakhstan was under Soviet Union, which had authoritarian regime with one key person in the beginning and communist view. Of course following the settled rules which has a lot of restriction by one person made people adapt to this sort of ruling, which of course had impacted their initiative and creativity in negative way. While all Northern Europe countries lived in true democratic system which put peoples' rights above of almost everything.

According to the interviewees' opinion, it was discerned that in Kazakh organization it was expected that the manager gives orders and establishes the framework of "rules" and then

everybody takes responsibilities according that. When analyzing the empirical data, the author noticed an interesting phenomenon, a set of answers addressing to the importance of orders for the people (70 % of the interviewees, illustrated by the Figure 9). Local people of Kazakhstan were noticed adapted to follow orders and therefore having a need being told what to do. Many employees described to be waiting for orders, presenting their results etc.

Quote from interview with Mr. Reiner: " *The general manager in organization I used to work seemed to employees like a king, every order was executed unquestioningly and without consultations* "

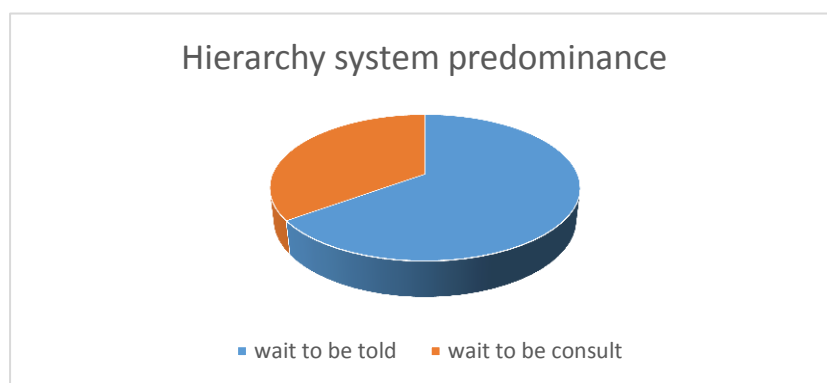


Figure 22. Pie-chart showing the proportion of interviewees mentioning Hierarchy system predominance

Flexible time orientation

One of the cultural dimension difference emerged from interviews is related with time management. As Figure 19 displays, 67 % of the interviewees mentioned the flexibility of Kazakh time concept in one way or the other. The expats, who had longer living experience in Kazakhstan, inclined to mention time issues less than the ones who had been in Kazakhstan only for short period. The interviewees found Kazakh relation to time to be more flexible and relative than the EU expats relation to it. While for most of Europeans time considered to be precious and limited Kazakh partners seemed to have affluent amount of time.

Many expats were considered themselves to be more concise with punctuality than Kazakh partners. Majority of the respondents remembered being annoyed by the Kazakh partners' consistency to be late to meetings. Once becoming aware of this, some of the interviewees learnt to live with the locals' flexibility to time. Other thing to consider is related with way of approach to deadlines. Overall estimation of expats in this regard was not positive. Most of the deadlines for presenting the work, deliveries were stretched than it was dealt. Expats found quite surprising this issue of inconsistency of following agreed timeframe was concerning from bottom organization to top organizations. According to Mr. Heiko: "

People inclined concern time in relative way in Kazakhstan, very relative. People do not still come to the meetings on time. People do not deliver in time. This issue not only concerns small organizations but also other high level organizations. But not far time ago there are some improvements. Organizations are contracted to deliver in time otherwise they are obliged pay penalty charge not delivering in time."

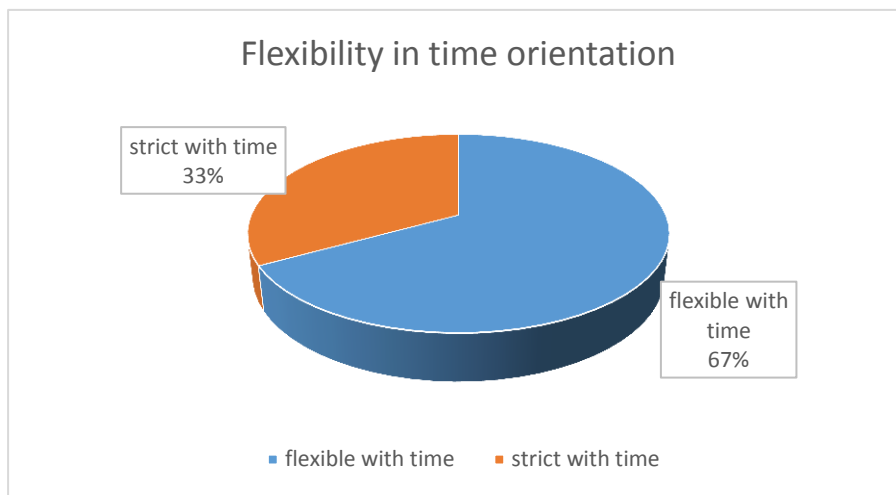


Figure 33. Pie-chart showing the proportion of interviewees mentioning time flexibility

Importance of social relations

Being relatively collective people, Kazakh people highly assess the process of socialization and establishing contacts with others. The interviewees spoke about the significance of contacts in order to make right approach for anything – do business, to look for work and move quicker inside bureaucratic system. As Figure 20 illustrates, almost half of the interviewees (50%) emphasized the importance of contacts and building a network connection.

The EU expats also noticed tendency in Kazakh partners to develop closer relationships with colleagues and business partners. The connection approach between organizations was found different, as in Kazakhstan business negotiations depend significantly on the relations of the people, whereas in EU countries people act rather like representatives of organizations. Using the words of one of the interviewees “establishing a relationship requires time but when you establish connection it is possible to have advantages from relations that help you to manage things easily.”

The interviewees also indicate to differences about family relations. Kazakh partners spend considerable amount of time for their family and remain close relations with the entire extended family, which normally includes aunts and uncles, cousins. Whereas EU expats families are usually small and the relations with the extended family are not so strong. Kazakh family owned companies often tended to have in senior positions family members.

Quote from interview with Mr. Peter: “...*Foreign person need to establish good connection before entering large business negotiations because as peculiar to other Asian countries local people need to have deep trust in one who is not from local society*”

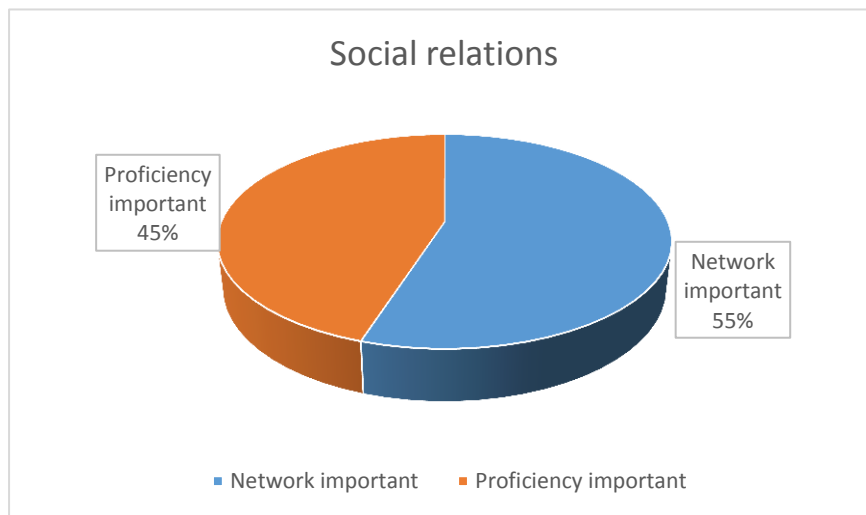


Figure 14. Pie-chart showing the proportion of interviewees mentioning social relations

The research is based on the experience of 10 EU expatriates people use to live or lived and worked in Kazakhstan. In dissertation was applied a qualitative research method, which consists of three main phases: narrative interviews, analyses and identifying cultural dimension differences. The author identified dimension differences in following cultural characteristics:

Power Distance Index

From perspective of European expats use or used to stay in Kazakhstan, there exists high Power distance in organizational structures. Employee – employer relationship lays far behind from the European framework of relation in organizations.

Uncertainty Avoidance

Exploratory research displays results about Low Uncertainty avoidance of population in Kazakhstan. People don't avoid much uncertainties related to business risk etc. Easy with adjustment of predefined plans and expectations.

Masculinity Index

Exists paternalistic system in observed environments. Kazakh society tend to consider the value of men and women almost similar with a little difference inclined to men side. As masculinity characteristics aims with collecting materialistic values and position in work etc., the society more recognized according with these points.

Individualism Index

According to collected data in Kazakh society prevails individualist view more than collectivist perspective, this assumption concern more organizational structures than out of organization. Local people would like to make own decision related to particular question not to join other ideas or decisions.

Self enhancement

In local organizations where expats use to work observed high ambition and striving to high positions, especially in young generation. Observed tendency to criteria such as achievement, power and self-improvement.

Openness to change

Locals exhibit to live exciting life. Try to travel frequently new places and achieve new things. Exhibit creativity and freedom. These thoughts of expats concern again young generation more than older generation.

Flexibility with time

Kazakh people seem to have more flexible time framework approach than Europeans. Late deliveries and overdue of deadlines and appointments.

Social network importance

The social networks in ones' life were considered to be with higher value for Kazakh than for Europeans. It is strongly advised to create favorable social links in order to be accepted as a trustful business partner, consequently successful in Kazakh society environment.

Hierarchical Orientation

The Europeans found Kazakh to be with a strong hierarchical orientation which was noticed in relation to organizational structures and importance of rules; during empirical research was noticed some contrast between egalitarian values attributed to Europeans versus Kazakh society hierarchy dominance values.

The main constraints of conducted research were the number of samples and restricted time frame. Literature review and structuring categories for analyzing cross-cultural dimension differences required considerable time amount.

5 Conclusion

The research topic was chosen due to its importance in the context of globalization and the growing importance connection between European Union and Kazakhstan which promotes partnership. The current dissertation is exploring the differences specifically between European and Kazakh cultures from the perspective of Europeans in contact with Kazakh people. The theme of the dissertation is interesting as until now there has not been carried out similar research in relation to those two above mentioned cultures.

As it is seen in a practice there are various sort of employee-employer relationship, for example, there are employers in individualist cultures who have designed strong bonds with their employees in term of trust and cohesion, with similar rules resembling to collectivistic: protection in exchange of loyalty. Organization cultures and norms may deviate to some degree from majority accepted norms depend on cultural background of people working there. Therefore it is very important to examine the cross-cultural difference points in order to have mutual advantage from works going to be done and managing organization.

Time orientation, releasing right responses, way of accomplishing job, information flow speed and comprehension all are specific points which are different according to each nation. And it is very crucial to note about this aspects related to country where one is going to transfer management skills in order to start successful business.

In this work the majority of respondent samples by occasion were from North Europe. And comparison of dimension were more specified taking into account similarities of these nations living in North Europe.

Looking and reaching European expats living in Kazakhstan was time consuming, and as the research time was limited, it wasn't possible to conduct many interviews. The sample group used in this research is relatively not large and therefore the results may be considered exploratory.

The current master dissertation work has an academic and a practical future perspective. From academic point of view the research can be developed farther by gathering also the Kazakh perspective in an encounter with European culture. Learning how Kazakh see Europeans and opposite would enable to collect more complete image of inter-cultural encounters and discloses cultural dimension differences in full.

In practical aspect, this dissertation can be used as material for gathering inter-cultural training programs and guidance for expatriates and companies interested in doing business in Kazakhstan. The dissertation work also gives more knowledge about cultural differences and the importance of culture in management skill transfers and international business negotiations.

References

1. Allport, G.W. (1961). Pattern and growth in personality. New York: Holt, Rinehart & Winston.
2. Bandura, A. (1977). *Self-efficacy: Toward a unifying theory of behavioral change*.
Psychological, Review, 84, 191-215
3. Blumberg, R.L., & Winch, R.F. (1972). Societal complexity and familial complexity: Evidence for the curvilinear hypothesis. *American Journal of Sociology*, 77, 898-920.
4. Befu, H. (1971). *Japan: an anthropological introduction*. San Francisco, Chandler Pub. Co.
5. Berlyne, D.E. (1960). *Conflict, arousal and curiosity*. New York: McGraw-Hill
6. Denzin, Norman K. & Lincoln, Yvonna S. (Eds.). (2005). *The Sage Handbook of Qualitative Research* (3rd ed.). Thousand Oaks, CA: Sage
7. Michels, R. (1962). Political parties: *Sociological study of the oligarchical tendencies of modern democracy*. New York: Free Press. (Original work published 1915)
8. Kluckhohn, C. K. (1951). Values and value orientations in the theory of action. In T. Parsons and E. A. Shils (Eds.). *Toward a general theory of action*. Cambridge, MA: Harvard University Press.
9. Parsons, T., & Shils, E.A. (1951). *Toward a general theory action*. Cambridge, MA: Harvard University Press.
10. Hsu, F.L.K. (1971). Psychosocial homeostasis and jen: Conceptual tools for advancing psychological anthropology. *American Anthropologist*, 73, 23-44.
11. Hofstede, G. (1983). The cultural relativity of organizational practices and theories. *Journal of International Business studies*, 14.
12. Ho, D.Y.F. (1978). The concept of man in Mao-Tse-Tung's thought. *Psychiatry*, 41, 391-402.
13. Ho, D.Y.F. (1979). Psychological implications of collectivism: With special reference to the Chinese case and Maoist dialectics.
14. Mulder, M. (1977). *The Daily Power game*. Leiden, Netherlands: Martinus Nijhoff.
15. Hall, E.T. (1976). *Beyond Culture*, New York: Doubleday
16. Hall, E.T. (1990). *Understanding cultural differences*. Yarmouth, ME: Intercultural Press.
- Hall, E.T.(1974) *Handbook for proxemic research* Society for the Anthropology of Visual Communication, 124p.
17. Hofstede, G. (1984). *Culture's consequences : international differences in work-related values*. Beverly Hills, Sage.
18. Hofstede, G. (2000). *Culture's Consequences*. Second Edition. Comparing Values, Behaviors, Institutions, and Organizations across Nations. International Educational and Professional Publisher. Thousand Oaks.
19. Hills, M. D. (2002). Kluckhohn and Strodtbeck's Values Orientation Theory. *Online Readings in Psychology and Culture*, 4(4).
20. Hofstede, G. (1994). *Uncommon sense about organizations : cases, studies, and field observations*. London, Sage Publications.
22. Williams, L.K., Whyte, W.F., & Green, C.S. (1966). Do cultural differences affect workers' attitudes? *Industrial Relations*, 5, 105-117.
23. Markus, H.R., & Kitayama, S. (1991). Culture and the self: Implications for cognition, emotion, and motivation. *Psychological Review*, 98, 224-253.
24. Sagiv, L. and Schwartz, S.H. (2000) 'A new look at national culture: illustrative applications

- to role stress and managerial behavior', in Ashkanasy, N.N., Wilderom, C. and Peterson, M.F. (Eds.): *The Handbook of Organizational Culture and Climate*, Sage, Newbury Park, CA, pp.417–436.
25. Kluckhohn, F. R. & Strodtbeck, F. L. (1961). *Variations in value orientations*. Evanston, IL: Row, Peterson.
 26. Gallagher, Thomas J. 1992. Language, Native people, and land management in Alaska. *Arctic*, 45(2):146-149.
 27. Schwartz, S. H. (1992). *Universals in the content and structure of values: Theory and empirical tests in 20 countries*. In M. Zanna (Ed.), *Advances in experimental social psychology* (Vol. 25) (pp. 1-65). New York: Academic Press.
 28. Schwartz, S. H. (2006). Value orientations: Measurement, antecedents and consequences across nations. In Jowell, R., Roberts, C., Fitzgerald, R. & Eva, G. (Eds.) *Measuring attitudes cross- nationally - lessons from the European Social Survey*. London: Sage.
 29. David Riesman, Nathan Glazer and Reuel Denney (1953). *The Lonely Crowd*, Revised edition: A Study of the Changing American Character
 30. Williams, R. M., Jr. (1968). Values. In E. Sills (Ed.), *International encyclopedia of the social sciences*. New York: Macmillan
 31. Maslow, A.H. (1965). *Eupsychian management*. Homewood, IL: Dorsey.
 32. Muhammad, F. J., Aijaz A., Kamal, H. 2011 Paradigm and Characteristics of a good Qualitative Research. *World Applied Science Journal* 12 (11):2082-2087,
 33. Trompenaars, F. (1997). *Riding the Waves of Culture: Understanding Diversity in Global Business*.
 34. Trompenaars, F. (2010). *Riding the Waves of Innovation: Harness the Power of Global Culture to Drive Creativity and Growth*.
 35. Todd, E. (1983). *La troisième planète : structures familiales et systèmes idéologiques*. Paris, Seuil.
 36. Saladana, Johnny (2012). *The coding manual for qualitative researchers*. Sage. ISBN 1446247376.
 37. Bohannan, P. (1969). *Social anthropology*. London: Holt, Rinehart & Winston.

WEBSITES

www.britannica.com

www.geert-hofstede.com

www.itapintl.com

<http://dictionary.reference.com/browse/inefficient>

www.cia.gov/library/publications/the-world-factbook/geos/po.html

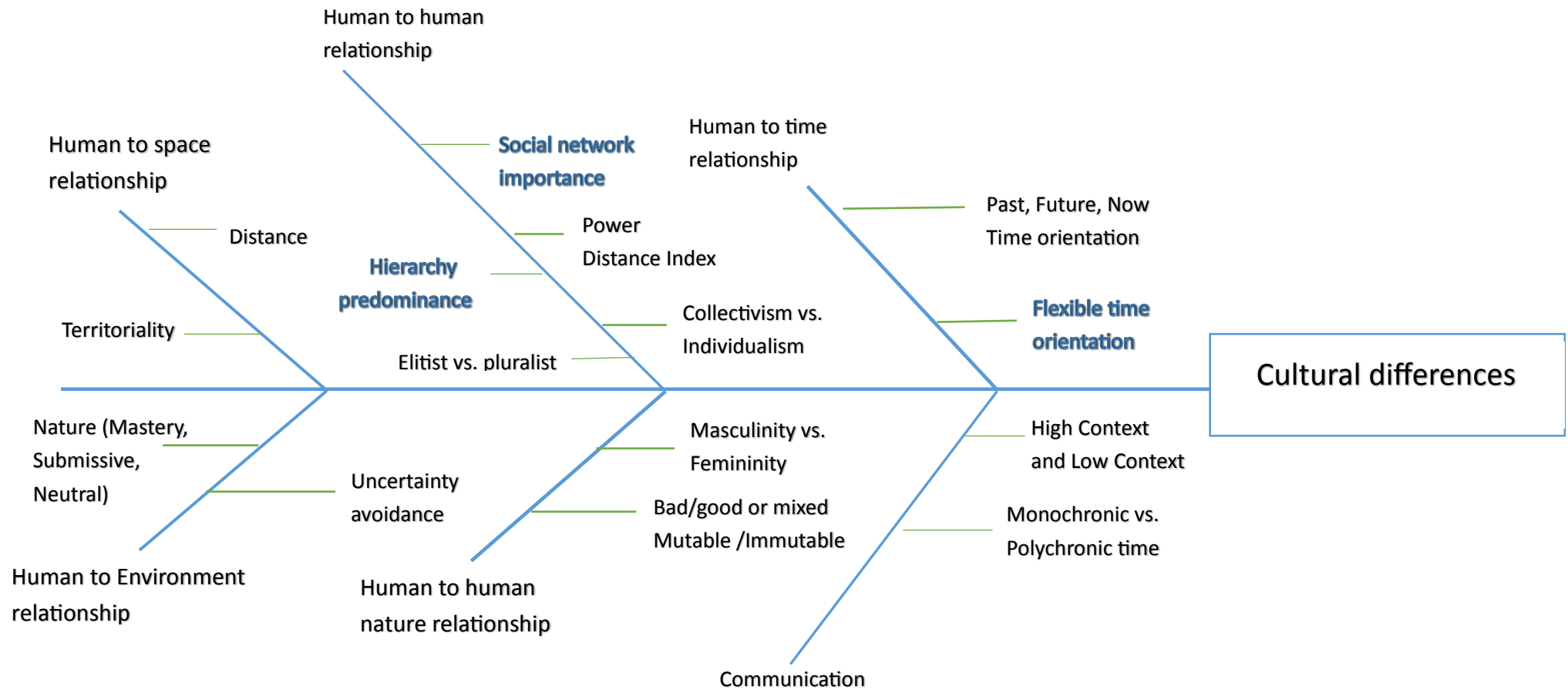
www.cia.gov/library/publications/the-world-factbook/geos/sw.html

Appendix 1

Fishbone diagram. Diagram for analysis and categorizing of collected data

Collected data were analyzed and categorized according to Fishbone diagram, which serves as categorizing tool for cultural dimensions differences.

Taking into account categories proposed by Fishbone diagram author tried to give general view about differences experienced by EU expats related to Kazakhstan local people in terms of communication and behavior and attitude.



Appendix 2

Cultural Dimensions table according to analysis of data

Respondents	Criteria											
	Masculinity Index	Uncertainty avoidance	Power distance	Individualism Index	Self enhancement	Openness to change	Evil/mutable	Flexibility with time	Monochronic/ Polychronic	Human to space	Human to nature	Time orientation
Mr. Mathias	<i>Less</i>	<i>High</i>	<i>High</i>	<i>High</i>	<i>Large</i>	<i>Strong</i>	<i>Naturally helpful</i>	<i>High</i>	<i>Polychronic</i>	<i>far distance</i>	<i>Mastery</i>	<i>Future</i>
Mr. Graham	<i>High</i>	<i>Low</i>	<i>High</i>	<i>High</i>	<i>Large</i>	<i>Strong</i>	<i>Naturally Friendly</i>	<i>High</i>	<i>Polychronic</i>	<i>far distance</i>	<i>Harmony</i>	<i>Past</i>
Mr. Mathijs	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Average</i>	<i>Average</i>	<i>Strong</i>	<i>Friendly</i>	<i>High</i>	<i>Polychronic</i>	<i>Close distance</i>	<i>Harmony</i>	<i>Past</i>
Mr. Reiner	<i>Average</i>	<i>Less</i>	<i>Average</i>	<i>High</i>	<i>Large</i>	<i>Average</i>	<i>Friendly</i>	<i>Average</i>	<i>Polychronic</i>	<i>Close distance</i>	<i>Harmony</i>	<i>Past</i>
Mr. Edward	<i>High</i>	<i>Average</i>	<i>High</i>	<i>Low</i>	<i>Large</i>	<i>Weak</i>	<i>Friendly</i>	<i>Average</i>	<i>Monochronic</i>	<i>Far distance</i>	<i>Mastery</i>	<i>Now</i>
Mr. Ulrich	<i>Average</i>	<i>Average</i>	<i>High</i>	<i>Low</i>	<i>Average</i>	<i>Strong</i>	<i>Average</i>	<i>High</i>	<i>Monochronic</i>	<i>Far distance</i>	<i>Mastery</i>	<i>Now</i>
Mr. Talbott	<i>High</i>	<i>High</i>	<i>High</i>	<i>Average</i>	<i>Low</i>	<i>Average</i>	<i>Less friendly</i>	<i>Average</i>	<i>Polychronic</i>	<i>Close distance</i>	<i>Harmony</i>	<i>Now</i>
Mr. Heiko	<i>High</i>	<i>Low</i>	<i>High</i>	<i>Average</i>	<i>Average</i>	<i>Weak</i>	<i>Average</i>	<i>High</i>	<i>Polychronic</i>	<i>Far distance</i>	<i>Harmony</i>	<i>Past</i>
Mr. Peter	<i>High</i>	<i>Low</i>	<i>Average</i>	<i>High</i>	<i>Low</i>	<i>Strong</i>	<i>Friendly</i>	<i>Average</i>	<i>Polychronic</i>	<i>Far distance</i>	<i>Submissive</i>	<i>Past</i>
Mr. Ray Mac Shane	<i>Average</i>	<i>Low</i>	<i>Average</i>	<i>High</i>	<i>Large</i>	<i>Weak</i>	<i>Less Friendly</i>	<i>High</i>	<i>Polychronic</i>	<i>Far distance</i>	<i>Submissive</i>	<i>Past</i>
Assumption concerning total opinion	<i>High</i>	<i>Low</i>	<i>High</i>	<i>High</i>	<i>Large</i>	<i>Strong</i>	<i>Friendly</i>	<i>High</i>	<i>Polychronic</i>	<i>Far distance</i>	<i>Harmony</i>	<i>Past</i>